

Money war declared between US and Iran

The United States yesterday took its most serious step against Iran when President Carter ordered the freezing of \$5,000m in Iranian Government assets held in American banks. The "money war" was provoked by Iran's announced intention to withdraw its funds from the United States.

Mr Carter freezes Tehran's assets

From Patrick Brogan
Washington, Nov 14

President Carter has ordered that all assets here of the Iranian Government and other official Iranian bodies be frozen. This involves about \$5,000m in American banks and their overseas branches. The money belongs to Iran's Government and Central Bank and such bodies as Iran Air. The move does not affect private depositors.

The freeze was imposed in reply to an Iranian decision early today to withdraw funds from the United States.

Mr William Miller, the Secretary of the Treasury, said this morning that the freeze was not directed against Iran, nor was it retaliation against the seizure of the staff of the American Embassy in Tehran. It was to protect American interests whose property in Iran has been nationalized, or may be nationalized, and whose claims for compensation have not been met.

Mr Ronald Reagan, who just declared his candidacy for the Presidency, said this morning that he supported the President and other candidates and leaders will follow his example.

The Administration told Congressional leaders of its decision in advance, and also informed other governments.

The step had clearly been planned. An Iranian withdrawal of funds had been anticipated.

Mr Carter issued an order this morning under the authority of a 1977 law, stating:

"I, Jimmy Carter, President of the United States, do hereby declare that Iran constitutes an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States and hereby declare a national emergency to deal with that threat by the seizure of Iranian assets."

"I hereby order blocked all property and interests in property of the Government of Iran, its instrumentalities and controlled entities, and the Central Bank of Iran, which are or become subject to the jurisdiction of the United States or which are in, or come within, the possession or control of persons subject to the jurisdiction of the United States."

The seizure of Iranian assets here is the third and most serious step the United States has taken against Iran since the Embassy was seized on November 4. First, shipment of spare

Poor response on sale of assets may strengthen industry request for state aid Car component makers 'not interested' in buying BL plants

By Clifford Webb

Sir Michael Edwards, chairman of BL, has asked the main component groups, including GKN, Lucas and Automotive Products, to indicate what parts of his group they would be interested in purchasing if the Government forced him to dispose of some assets in return for further state financing.

However, the poor response is not encouraging for those Conservatives who have been advocating the return to private industry of all but the hard-core assembly plants.

They want to see BL reduce the manufacture of a wide range of components which they claim can be produced more economically and reliably by private companies with spare capacity.

The lack of interest will, however, strengthen Sir Michael's hand in negotiations with the Government. He can now indicate with some conviction that the survival plan accepted by his workforce — 25,000 fewer jobs and 13 whole or part plant closures — is as far as he can go without giving away valuable assets.

A senior executive of one of the firms approached by BL told me last night: "We are not interested because quite seriously we want to lessen our dependence on BL not increase it by purchasing component plants which are tied hand and foot to the future of BL."

Another component manufacturer said: "We are not really interested in plants as going concerns, but there is a lot of fine machinery in some of them which we would be interested in acquiring to meet our growing business overseas. With imports taking so much of our home market we have no alternative but to look to our future in overseas markets."

The latest moves to slim the state-owned motor group coincide with the publication of a 15-page document: *A Trade Union Response to the Edwards Plan*, which has been prepared by the unofficial BL combined shop stewards committee.

It makes great play of the fact that Sir Michael is already proposing to reduce component manufacturing by closing most of the Castle Bromwich body plant, the Number Two Foundry at Tipton, Staffordshire, large parts of the West Yorkshire Foundries and has abandoned the planned construction of a new aluminium foundry.

It asks: "Is moving our of the foundry business the first step in moving out of the power unit business? There has been speculation in the commercial vehicle industry that the success of specialist producers of diesel engines such as Cummins Gardner and Roll-Royce makes it virtually impossible for BL to produce competitively priced engines. It is even suggested that Leyland will never again develop its own engine family."

But the same does not apply to manufacturing car engines. There are no specialist engine

producers. BL will have to buy from a competitor such as Ford, or enter into joint manufacturing arrangements which are extremely tricky to balance between partners' requirements.

Outright purchase of car engines in anything like substantial volume reduces the purchaser's potential profit margin appreciably.

A BL spokesman said last night: "We cannot comment on whether or not we have had meetings or discussions with component manufacturers regarding the disposal of assets and businesses."

Jenkins plea for action on Britain's EEC costs

From Michael Horshy
Strasbourg, Nov 14

A "quick and short-term solution" to the problems posed by Britain's large net payments to the EEC budget was called for today by Mr. Roy Jenkins, the President of the European Commission, during a debate on the budgetary issue and economic imbalance within the Community.

There might be some argument, Mr. Jenkins said, about the exact size of the British budget deficit (forecast to reach nearly £1,200m next year), but there was "little dispute about its order of magnitude or its importance in political as well as economic terms."

However, Mr. Jenkins said that any immediate action taken to help the British might have to be "buttressed" by what he called "wider solutions" — which was taken as a warning that elimination of the British deficit could be achieved only over time.

Mrs Thatcher is still insisting that her aim is to secure nothing less than "broad balance" between Britain's budgetary contributions and receipts, when she meets her fellow heads of government in Dublin at the end of the month.

The occasion for today's debate was a motion for a resolution submitted by the Parliament's budget committee, which urged the establishment of "a new and lasting system of financial equalisation between member states of the Community."

The budget committee envisaged the creation of a new budgetary resource with funds provided by those member states with per capita gross national products above the Community average and distributed among those whose national wealth is below average as measured by this yardstick.

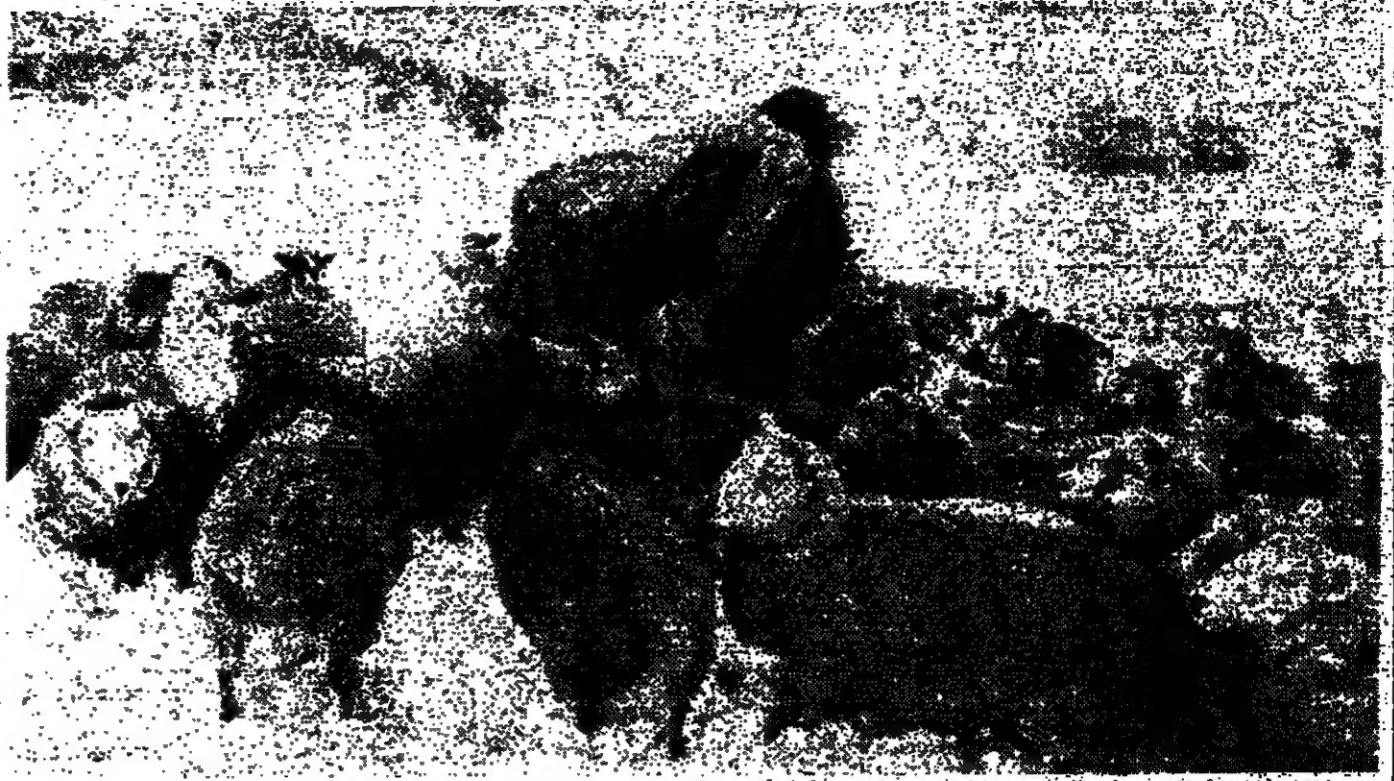
This would introduce the concept of relating budget contributions much more strictly to the ability of member states to pay it, could be of benefit to Britain, although after enlargement of the EEC to include Greece, Spain and Portugal the British per capita GNP would be only slightly below the Community average.

The committee's resolution urged the Commission to draw up proposals incorporating the equalization scheme.

There was a distinctly lukewarm response from Mr. Jenkins to this plea. He made it clear that he thought a solution was more likely to be achieved in Dublin by adjusting existing budgetary mechanisms and procedures, and that a proposal for a radical new departure would merely complicate the debate.

It emerged here today that the Commission will next week present member states with a further refinement of the range of methods it has already suggested for reducing the British deficit. Commission officials here indicated that their new proposal was likely to centre on adjustments to the existing system of budgetary refunds, and that this might reduce Britain's budget deficit next year by between £300m and £400m.

Parliamentary report, page 13



Mr Allan Young feeds his sheep at Greengairs, Strathclyde, after the first snow this winter.

Farmers are paid to dump pears and apples

By Hugh Clayton
Agriculture Correspondent

British farmers are being paid from EEC funds to dump fruit. The Intervention Board for Agricultural Produce said yesterday that more than 2,500 tons of apples and pears had been dumped on farms while a few tons of apples had been allocated under EEC rules for livestock feed.

The bill to the Community for the operation exceeds £50,000. The board, a section of the Civil Service which administers the mechanics of the Common Agricultural Policy in Britain, said that dumping was done under the supervision of the Ministry of Agriculture, Fisheries and Food to ensure that farmers did not try to recover fruit for which they had been paid.

The mild autumn has produced a surplus of fruit in much of Europe, and British farmers are complaining about increased sales here of cheap French apples. The EEC has a support mechanism for fruit and vegetables which is smaller and much less conspicuous than the intervention storage system which leads to "mountains" of beef and sheep butter to the Soviet Union.

Support prices for fruit and vegetables are fixed by the Community at the start of the season. When they are not met in Britain farm cooperatives can offer surplus fruit to the intervention board for compensation from EEC funds. That is worth between 1p and 3p a pound to farmers while shop prices of apples and pears start at about 10p a pound.

Dumping is a last resort. When the board buys fruit on behalf of the EEC it tries to distribute it first to institutions like schools and hospitals. That has not been possible this year because of the glut.

Immigration charge of sex and race bias

By Peter Evans
Home Affairs Correspondent

Government intentions to tighten immigration rules, announced yesterday by Mr. William Whitelaw, Home Secretary, immediately drew fierce criticism from a lobby better organized than any in the 17-year history of ever stricter measures to control entry to Britain from the former empire.

Particular controversy was fired by the intention, published also in a White Paper, to end the automatic right of entry of the husband or fiancée of a woman settled in this country and to demand further qualifications from dependants wishing to join families here.

"Sexist and racist" was how Opposition speakers termed what Mr. Whitelaw sees as only a continuation of a trend set by previous governments.

Amid a din that several times had the Speaker calling members to order, he insisted that the proposals would not keep out the husband or fiancée of a woman who was born in the United Kingdom and whose marriage was not contracted for immigration purposes, whatever her colour.

"The object of the new rules is to prevent the exploitation of marriage as an instrument of primary immigration," he told the House.

Cousins, Mr. Whitelaw faced a double broadside from two statutory commissions set up to monitor discrimination — the Commission for Racial Equality and the Equal Opportunities Commission, which said the proposed immigration rules introduced new discrimination against women.

"There will be double discrimination against girls in the Asian community in Britain who, although British, many of them by birth, will be prevented from making arranged marriages by the new rules," the commission said.

Commons upstart

Work permits

White Paper

Parliamentary report

Leading article

But their brothers would continue to do so. "The effect will be fewer opportunities for the girls to marry as they of their parents wish."

The Commission for Racial Equality said the new rules were "contrary to the whole intention of the Race Relations Act and would in effect create a second-class category of citizens in Britain."

Young Conservatives denounced the proposals, their national chairman, Mr. Bob Hughes, saying: "This White Paper contains proposals that are disgusting and the Home Secretary should be thoroughly ashamed of them. They seek to create a second-class citizen."

There was concern among the council of the Baptist Union of Britain and Ireland, meeting yesterday, that a girl born overseas to missionary parents marrying a man from outside the EEC would not be able to bring him back to Britain to settle.

And Miss Sharminda Patel, sister of Mr. Preful Patel, an immigration lobbyist since the 1960s, has written to Mr. Whitelaw pointing out the dilemma that would be created by her own case. She has been living in London at Mr. Patel's home for the past 20 years, since she was eight. "I know many girls living in England and India who will agree with arranged marriages," she says.

A written, parliamentary answer from Mr. Patrick Mayhew, Parliamentary Under-Secretary of State for Employment, said that work permits would be available for overseas workers (from outside the EEC) holding recognized qualifications or high skills.

Pensioners' earnings rule to end

By Pat Healy
Social Services Correspondent

The Government is to end the earnings rule for pensioners during the present Parliament, Mr. Patrick Mayhew, Secretary of State for Social Services, said last night.

Proposals to end the rule, which reduces the amount of pension according to a pensioner's earnings above a set limit, will be outlined in a White Paper in the new year.

Mr. Mayhew made it clear that the earnings rule would go and be replaced by a new rule on how it should be done, if we were not to return to "the dreadful game of pinning pensioners."

He told a conference of the National Association of Pensioners in London that the earnings rule was a heavy disincentive for those who wanted to work. Some form of flexible system of retirement should be considered. The fixed retirement age, he said, was a "personal liberty," Mr. Jenkins said.

Salt room, page 18

Earthquake kills 242 in east Iranian villages

Tehran, Nov 14. — At least 242 people were killed today when an earthquake struck eastern Iran and destroyed at least one village, the official Pars News agency reported.

Rescue teams were sifting through the rubble of several villages about 200 miles south of Mashhad, it said.

The tremor wrecked villages in the province of Khorassan, where an earthquake in September last year razed the town of Tebas and killed 15,000 people.

Pars said the death toll so far

stood at 242 in villages near the town of Qaen.

Earlier, Iranian Radio said that hospitals in the region could not cope with the number of injured and were appealing for doctors and medicines and blankets. Helicopters were crossing the area looking for affected villages.

The agency reported that rescue teams were setting up emergency hospitals and tents for inhabitants of the region, bordering on Afghanistan, affected by the earthquake, which measured 5.6 on the Richter Scale. — Reuters.

Power dispute worries for Whitehall

Strikes in the electricity supply industry would have a swifter, more widespread and devastating effect on manufacturing industry and private households than industrial action in any other sector, Peter Hennessy reports in the third of his series on the Government's ability to deal with industrial action. The British national grid is the strongest in the world. The Electricity Council and the Central Electricity Generating Board have drafted detailed contingency plans based on computer simulations to protect the country from disaster. Page 6

Trade deficit now stands at £339m

Britain's trade deficit was £339m last month, more than £200m worse than in September. The fall has led to increased pessimism Treasury officials about the country's trade performance although the figures were partly attributable to the engineering dispute. Page 23

Devolution intention

Mrs Thatcher reaffirmed the Government's intention to press ahead with devolution proposals in Northern Ireland in spite of present difficulties when she met Mr. James Moynihan, Ulster Unionist member for Antrim South, at Westminster. Page 2

Windscale award

For the death of her husband, a nuclear plant worker at Windscale who died of leukaemia, a woman was awarded £67,000 damages at Carlisle Crown Court. British Nuclear Fuels, against whom the claim was made, said the settlement should not be regarded as a precedent. Page 4

Legalized brothels recommended

Southampton City Council is to send a report recommending the establishment of legalized brothels to the Criminal Law Revision Committee. Tolerance of prostitution in better controlled circumstances was proposed, and its removal from current areas. Page 2

TUC offers deal

The TUC is willing to accept some responsibility for reducing inflation if the Government alters its monetarist policies. The TUC Economic Committee yesterday approved the draft of a submission to the National Economic Development Council which offers the prospect of a working relationship with the Government. Page 2

Rhodesia progress

The Rhodesia conference appears to be making progress with the breaking of the recent deadlock. But the Patriotic Front is still demanding a longer pre-election period than proposed. Page 10

Hope over nuclear weapons decision

The Nato Defence Ministers who have been meeting in the Hague are hopeful of a decision to go ahead with the modernization of America's long-range nuclear weapons in Europe. The Dutch Government, however, is still reluctant to authorize the deployment of 48 cruise missiles in Holland. Page 8

Paris: New Beaujolais vintage earns immediate acclaim

Washington: Mr. Reagan, Republican presidential candidate, offers same old recipes. Page 10

Albania: Only Stalin escapes admission to gallery of rogues of Mr. Enver Hoxha, Communist Party leader

Kampuchea: Phnom Penh, warns Bangkok of consequences of shelling Vietnam positions. Page 22

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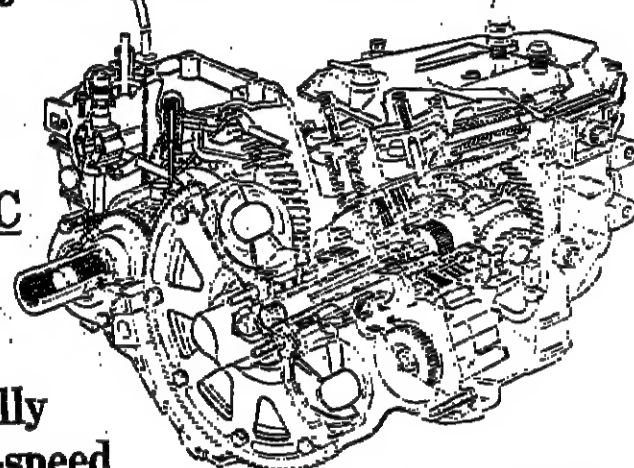
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HOME NEWS

Teachers angered by Government's plan for curriculum

Diana Geddes
Education Correspondent

The Government will establish a nationally agreed framework for the curriculum in schools, Lady Young, Minister of State at the Department of Education and Science, announced yesterday.

Such a framework might include what subjects should be taught at what ages, how much should be devoted to each, and the kind of ground should be covered, she believed, for example, all secondary schools should provide a minimum curriculum of English, mathematics, a science, a modern language, and a subject to cover religious education for all pupils up to the age of 16.

But first the Government had to reach agreement with the authorities, teachers and others involved in the education service, that a framework was desirable, before it went on to seek agreement on what should be included.

The Government was not attempting to lay down from the centre what schools should teach, Lady Young insisted.

It is that end the Government intended to publish two further documents early next year, one which the Schools Inspectorate would give its views on a single national curriculum, the other in which the two education departments for England and Wales would provide draft policy on a framework for the curriculum, which would form the basis for further consultations.

Lady Young was speaking at a press conference to launch a report, published by the Department of Education and Science, giving the results of a survey of local authority arrangements for the curriculum in schools.

The National Union of Teachers, which has always argued that what is taught in schools should be a decision for teachers alone, said yesterday that it was "seriously concerned" about the Government's proposals for a national framework.

Mr David Hart, general secretary of the National Association of Head Teachers, challenged the Government to say how it was going to provide the teachers that would be needed to meet its proposals.

Mr Hart said that the Government had recommended that the CSE should be officially recognized and extended for use in all schools. The report of the committee, chaired by Professor William Keohane, is due to be published on December 11.

The committee proposes that the one-year CSE course should be kept primarily for sixth-form pupils who have obtained CSE grades 2-4. It should be a single subject examination, with three grades of merit, pass and fail.

Local Authority Arrangements for the Curriculum, Report on the Circular 14/77 Review (Stationery Office, £4.25).

Diver's face 'appeared in porthole of bell'

From Our Correspondent
Aberdeen

Men trying to rescue two divers trapped in a diving bell on the bed of the North Sea saw the face of one of the divers when they reached the stricken bell 390ft below the surface, a fatal accident inquiry in Aberdeen was told yesterday.

The rescuers, using a mini-submersible, had found the bell in an upright position under an accommodation vessel at the Beryl Alpha platform site, 185 miles north-east of Aberdeen after its lift wire and umbilical lifeline had both snapped.

Mr William Fraser, a technical consultant working on a flow line to the platform, said on the first day of a three-day inquiry at Aberdeen Sheriff Court: "I definitely remember the observer saying 'Someone is moving', and I can recollect a face appearing at the bell's porthole."

Mr Gerard Pringle, aged 28, of Stanmore, Middlesex, and Mr Michael Ward, aged 25, of Didsbury, Manchester, who worked for Northern Divers Ltd from the diving support ship Star Canopus, died after their bell plunged 280ft to the sea bed on November 26 last year.

Mr Fraser told the inquiry that after they saw the faces the only other signs of life were occasional movements of chemical candle lights within the bell. He added: "I recollect seeing the Star Canopus bell lift suddenly off the sea bed and then suddenly come down, and did not see it again until it came to the surface."

The inquiry was told that the accident happened when the Star Canopus was blown off course and the umbilical cord of the bell fractured on the anchor chains of the accommodation vessel, Heakon Magnus.

The hearing, before Sheriff William Murdoch, continues today.

Crash signals 'superior'

The signalling system at the scene of the rail crash at Invergowrie, near Dundee, on October 22, in which four people died and 51 were injured, was higher in standard than was normal for such a line. That was stated at an inquiry into the accident at Dundee yesterday.

A Glasgow-to-Aberdeen express train was derailed at the station, Glasgow-to-Dundee train which had broken down



Mr John Field, who has replaced Miss Beryl Grey as artistic director of the London Festival Ballet, showing the finer points of a movement while taking a rehearsal class yesterday.

Clare son seeks part of father's fortune

Sir Charles Clare, the financier and businessman, made provisions to cut his son out of his will, the Royal Court of Jersey at St Helier was told yesterday.

Mr Alan Clare, aged 25, Sir Charles's only son and a bachelor, opened an action for a share of his father's fortune, estimated at £80m. Mr Francis Hamon, for Mr Clare, said: "Mr Clare is only attempting to give his dues."

The court is to decide whether the injunction granted in Jersey to Mr Clare to freeze distribution of his father's estate should remain.

Mr Hamon said the claim was for "an interest" in the property subject to the estate disposed of by Sir Charles's

English will, and property subject to a separate trust known as the Jersey Personal Settlement.

Grounds for the claim were that Sir Charles lived in Monaco before his death, in breach of his property by either will or settlement "became subject to" Monaco laws; and each of his children—there is also a daughter, Vivien, aged 27—was entitled, under Monaco law, to a one-third "reserve" share.

Defending the case are Stype Trustees (Jersey) Ltd, Lloyds Bank Trust Company (Channel Islands) Ltd, and three trustees of a further trust known as the Jersey Charitable Settlement, in which Stype Trustees also have an interest.

No precautions before ship fire, court told

Swan Hunter, the shipbuilders, gave a subcontractor no safety advice before a workshop fire in which eight workmen died, counsel for the prosecution told a court yesterday.

Swan and the subcontractor, Telemeter, of Barrow, Cumbria, face charges at York Crown Court under the Health and Safety at Work Act after the fire below decks while the missile destroyer Glasgow was being fitted out three years ago at Swan's Newcastle yard at Wallsend-on-Tyne.

Mr Humphrey Potts, QC, said the fire started when a welding operation caused a flash in an atmosphere containing too high a level of oxygen.

"The Crown's submission is that this disastrous fire arose because precautions were not taken with regard to oxygen use", he said.

Swan Hunter have pleaded not guilty to six safety charges. Telemeter have admitted three charges.

Mr Potts said there was a "total lack of communication" between Swan and Telemeter over safety.

The hearing continues today.

£67,000 damages for Windscale widow

The widow of a nuclear plant worker at Windscale, Cumbria, who died of leukaemia, was awarded £67,000 damages in a test case at Carlisle Crown Court yesterday.

It was the first action of its type. Mr Malcolm Pattinson, aged 36, who lived in Frizington, near Whitehaven, Cumbria, died in 1971.

He worked in the plant's radiation area from 1957 to 1963 and left Windscale in 1970.

The action was brought by his widow, now Mrs Bridget McAreavey, aged 46.

Each of Mr Pattinson's three children, Angela, aged 22, Barbara, aged 19, and John, aged 14, received £5,000 from the £67,000.

The action was brought against British Nuclear Fuels.

The hearing yesterday, which lasted 10 minutes, took place before Mr Justice Hodgson.

Mr Michael Morison, QC, representing Mrs McAreavey, said: "This is a claim under the Fatal Accidents Act. The parties have come to terms."

He said that Mr Pattinson was a process worker and was exposed to the hazard of radiation from plutonium.

In February, 1979, the defendants said liability was no longer an issue. They had agreed by consent that there

would be judgment for Mrs McAreavey for £67,000 with costs, with her acknowledging receipt of interim payments of £5,000.

Mr Justice Hodgson said: "These meet with my approval."

A statement issued after the hearing by British Nuclear Fuels said: "Under the Nuclear Installations Act 1959, a plaintiff established on the balance of probabilities that an injury and subsequent death were caused by radiation, the source of which came from defendants' premises, the defendants are absolutely liable to pay compensation."

The statement added: "Whether or not the radiation which Mr Pattinson received in the course of his employment was the cause of his leukaemia cannot be established with certainty but is a matter of expert opinion on the balance of probability."

This settlement has been reached on the particular facts and issues of this case. They should not be regarded as a precedent for any future claim, pending claims, or action.

British Nuclear Fuels would like to stress that the risk of an individual radiation worker contracting leukaemia or any other radiation-induced cancer is statistically very small."

Miners set to stop unloading of US coal

From Tim Jones
Cardiff

The cargo ship Maria Lemos, taking on 18,000 tons of high quality North American coking coal in Baltimore, may have a "cold" Atlantic crossing, but when she docks at Newport, Gwent, later this month, she will be met by hundreds of angry, Wales miners determined that her cargo should not be unloaded.

If the coal gets burnt in the ovens at Llanwern steelworks, the miners, who are fighting for more pay, will present a national boycott for permission to stage an indefinite strike over the import.

The miners regard the Maria Lemos as a test in their fight to persuade the British Steel Corporation to abandon its plans to import large amounts of coking coal to a country which has huge reserves.

The corporation, desperate to improve its trading position, has turned to the South American and America for supplies it can buy from £10 to £14 a ton cheaper than in the coal mines in the valleys close to Llanwern and other steel-making plants.

The policy has been described as a "stunning blow" by the National Coal Board and the miners are becoming increasingly militant.

They say the policy is shortsighted, for the recent decision by President Carter to cease oil imports from Iran could make America more dependent on coal and other long-term contracts. American coal is heavily subsidised they say, and in the European Community France provides a subsidy of 15 times more a ton, West Germany 12 times more and Belgium 25 times more than on British coal.

Mr Emyr Williams, president of the South Wales area of the NUM, said yesterday: "What we are saying to the Government, the BBC, or any other who cares to listen, is that this or any other shipment of coking coal is not on."

Even so, the NUM's biggest customer, the electricity industry, could go abroad for cheaper coal if miners' wage demands pushed coal prices above the level of inflation, Sir Derek Ears, the NUM chairman, warned yesterday in the Press Association reports.

The industry had an understanding with the NCB to buy 75 million tons over a five-year period. "But if the price goes beyond the level of inflation they could go elsewhere."

Speaking on BBC Radio, Sir Derek said the NCB had "reached the end of the road" in pay offers to the miners.

Severe test facing arts in Scotland, report says

From Ronald Faux
Inverburgh

The arts in Scotland faced its most severe test for years from inflation and government control of public spending, it was stated in the annual report of the Scottish Arts Council, published yesterday.

Unless the difficulties of the arts, especially their economic aspects, were understood by the government and the public, not only would progress be halted but the support system on which the arts depended for survival would be permanently damaged.

Introducing the report, Mr Alexander Dunbar, director of the council, said government support to the Arts Council was

not the same as services directly provided by government or local government.

These services, being wholly funded by those bodies, were totally within their control. Of £533m given to the SAC last year, 94 per cent was spent on other, and grants given by the council to clients formed only part of their income.

"Scottish Arts Council grants help to sustain an industry, given to the high-tech industry, employing many skilled practitioners who provide services to the public, which generally pays part of the cost."

"The danger is that the arts, precisely because they are funded from several sources, may be regarded as nobody's baby," the report says.

Sleeping men's supervisor is dismissed

By Clifford Webb
Midlands Industrial Correspondent

BL yesterday completed disciplinary hearings into the case of the sleeping paint shop men by dismissing the superintendent in charge of the day and night shifts in that area of the Rover plant at Solihull.

Mr Richard Lampert, aged 52, of Wichnor Road, Sheldon, Birmingham, was responsible for more than 300 workers, including the 13 men and two foremen who were dismissed 24 hours earlier.

The 13 and one of the foremen were found in sleeping bags, blankets and makeshift bunks when senior management made a surprise visit after a tip-off.

Mr Lampert, who joined Rover 22 years ago as a tool setter, said last night he believed he had been treated very harshly. The case against him was brought following publicity and not on the facts.

BL refused to comment last night, other than to confirm that an unnamed superintendent had been dismissed and an immediate appeal hearing had upheld that decision.

Hawks take the air

The RAF Red Arrows aerobically based, based at RAF Kemble, Gloucestershire, are to unveil their new Hawk aircraft today. It will be the first time all nine Red Arrows have performed officially with the Hawks.

'Racialism' over a glass of wine

By Kenneth Gosling

The British Airways flight from Milan has just taken off, two hours later. Over the loudspeaker the captain offers free drinks to compensate for the delay. An African passenger in the economy class orders a double serving of wine, one red and one white.

It is politely explained to him by a stewardess that he will have to pay for the second helping, and he cheerfully surrenders 50p.

The African and an English couple sitting opposite have been friendly until now. Then the Englishman asks for a second gin and tonic for himself and his wife. The same stewardess serves them, but refuses payment.

The African begins to feel uncomfortable. He has been made to pay for his second glass of wine. Had he been a victim of racism? He fidgets, unwilling to make himself conspicuous by complaining, reluctant to offend the friendly English couple opposite.

But in the end his racial sensibilities prevail. He quietly asks the stewardess for a refund of his 50p since she has been discriminating between passengers.

A little embarrassment for

lows. The African is refunded, but he feels no sense of triumph. He feels ashamed for having made a fuss. The English couple freeze him out from then on.

In the African's briefcase are drafts of lectures he will be giving for the BBC—the Reith Lectures. The second in the series was given and the incident related on BBC Radio 4 last night by the man on the flight, Ali Mazrui, professor of political science at the University of Michigan.

He argued that although Africans were not the most brutalised of peoples, they were probably the most humiliated in modern history.

"The blacks remain the worst victims of contempt, though not necessarily the worst casualties of brutality", Professor Mazrui said.

It was the most exasperating humiliation of all to be unsure whether you were, in fact, being humiliated. If he passed through customs in Europe and was stopped when none of the white passengers was, could he be sure this was simply the luck of the draw on that particular day?

Or was the customs man influenced in his choice by the fact that I was not white? I

am prepared to concede that very often in such situations race is not a relevant factor. But I bitterly resent having to wonder whether the 1 per cent chance of racial prejudice was, in fact, there.

"It is not necessarily the fault of the customs officer; it is the product of the history of my people."

Professor Mazrui described the system in South Africa as "an amalgam of slavery and colonialism". The question today was whether the West could work effectively for the end of apartheid as a racial system without losing the economic benefits of white-dominated South Africa.

Ultimately, the white-dominated regime would not give up power simply through the liberalising process; it would never reach a stage when it would accept peacefully, for example, the principle of one man one vote.

It followed, therefore, that the ultimate solution was a violent revolution in South Africa. Professor Mazrui said: "British Airways said last night: 'There is no discrimination. Crews are not concerned about a person's colour or religion; they are passengers—people in seats.'"

Teacher jailed on charges over girl pupil

By Michael Baily
Transport Correspondent

British Rail was urged yesterday to run a campaign, Continental-style rail services to save its loss-making country lines.

Mr Frank Higgins, chairman of the Central Transport Consultative Committee, to which the railways are now required to submit proposals, said in London that the committee's view was that the public would much prefer reduced standards to complete loss of their local railway services.

British Rail's proposals for modernising rural lines were unnecessarily elaborate and costly, and the projected annual loss of about £30m a year could possibly be halved.

Mr Higgins suggested replacing diesel multiple-unit trains with the Leyland Railbuses or similar, at about half the cost; running some country lines as

light railways with single-track, single-track, and low-cost vehicles on Continental lines; and saving Inter-City safety standards on Inter-City rural lines.

The chief inspecting officer of railways at the Department of Transport had assured the committee that that could be done while maintaining acceptable standards of safety of both vehicles and track.

Lightweight trains and railbuses running on railway tracks would not use congested and circuitous roads, and would be able to offer a service comparable standard and reliability to existing trains.

Without some action many of British Rail's cross-country services would grind to a halt in the next 1980s.

British Rail commented last night: "We are developing an experimental railbus to undergo trials within a year."

in a less taxing situation

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Battle Honours of the British Army 1680-1980

THREE hundred years ago, in the Mediterranean port of Tangier, an outnumbered British garrison of five regiments met and defeated a Moorish army of formidable power. The first decisive victory of the then infant British Army, it was to have one signal result: all five regiments which had so distinguished themselves in that long and gallant defence were granted the right to bear on their Colours the simple name TANGIER.

For the British Army, that battle honour at Tangier was but the beginning of a story that was to take its regiments to every corner of the world—and to earn it a renown scarcely rivalled by any other army in history, save perhaps that of the Romans.

In the centuries which followed that first award in 1680, British regiments have added to their Colours an astonishing list of victories: in Europe and India, in Russia and China, in the Americas and the West Indies, in North and South Africa, in Burma, Persia, and New Zealand. By the close of the 19th century there were already some 170 battle honours on the Colours; two world wars and Korea have since added scores of others.

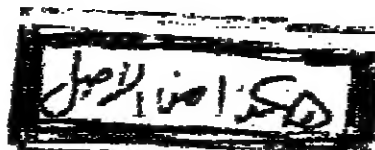
Now, to mark the 300th anniversary of the first battle honour, and in tribute to all those which followed it, the Naval and Military Gallery is publishing a definitive and historic portfolio of specially-selected fine-art military prints—commemorating every regiment, every war, and every campaign of the British Army.

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HOME NEWS

Anger over leak on ozone layer dispute

By Pearce Wright
Science Editor

A leak to the British and other governments of the conclusions of a scientific report on the damage caused to the atmosphere by the fluorocarbon compounds used in aerosol sprays, refrigerators, air-conditioning equipment and the manufacture of certain plastics has provoked an angry response from the European chemical industry.

Although the immediate dispute centres on the way the American Environmental Protection Agency circulated a document, described as an executive preface, before the work to which it referred was complete, the real issue is the widening gap between the United States agency and most of its European counterparts about the need for controls.

The American government looks set to extend the ban on fluorocarbon propellants in aerosol sprays introduced three years ago to other uses in refrigerators and plastic-foam blowing processes. In January, the Council of European Environmental ministers meets next month to review the voluntary arrangements proposed by the European Commission. Those call for a reduction of about one third in the use of fluorocarbons by the end of 1981, compared with the 1976 level, provided that action does not present any barriers to trade.

As one of the leading manufacturers in this field, ICI is circulating a booklet described as a scientific appraisal of the ozone controversy. Part of that publication contains evidence from a collaborative research project of European and American chemical industries. The project started about four years ago and costs about £1m a year. It monitors the atmosphere and investigates the complex chemical reactions taking place there.

When the theory was proposed in 1974 that fluorocarbons were seeping through the upper atmosphere to interfere with the ozone layer, the United States industry was producing compounds used equally for aerosol propellants and other applications. More than 300,000 tonnes a year were being emitted into the air in America. The total worldwide emission was more than 100,000 tonnes, much of it in Europe where about 70 per cent of production is for aerosol propellant and 30 per cent for other applications.

There is general agreement that two substances labelled R-11 and R-12 can rise into the upper atmosphere to take part in an intricate chemical cycle that destroys the natural mechanism for generating the protective belt of ozone round the earth. The dispute concerns the methods for calculating the amount of ozone being lost and the level of risk it poses.

Whitehall brief: Could the Government deal with strikes in the electricity supply industry? Power stations too complex for soldiers to control

By Peter Hennessy

Strikes in the electricity supply industry have preoccupied the Civil Contingencies Unit (CCU) for the past seven years. They contain the most alarming prospect the unit has to face.

In no other sector are the consequences of breakdown so swift, widespread or devastating in their effects on manufacturing industry, sewage and water pumping stations, and householders. One insider has described a national power failure as "the slipperiest path to hell".

Technology has moved relentlessly against the government in this area since 1945. It is almost 30 years since troops were last sent into a British power station. Hugh Gaiskill, then Minister of Fuel and Power, recorded in his diary for January 27, 1950: "This time without warning, the (military) strike began at four London power stations. We put the troops in at once and made a favourable impression on the public. Unfortunately, however, it proved impossible to get the stations to anything like full capacity owing to the inexperience of the troops and the shortage of people to train them."

The disaster occurred because of the troops in 1950 was recalled when members of the Electricity Council sold the Deane coal-burner in March, 1978, that alone, and not the Government, must implement contingency arrangements in the event of industrial trouble. The complexity of modern power stations placed them beyond the capacity of Army engineers.

In the autumn of 1977 the

CCU commissioned Mr Richard Mottram, of the Ministry of Defence, to investigate the possibility of using troops to control the country's power stations. The conclusion was that there were not enough of them and that they were not up to it.

There are about 100 Royal Engineers, trained at Brighton Barracks, Chatham, holding a safety certificate from the Central Electricity Generating Board (CEGB) declaring them fit to control a power station. The great 2,000-megawatt coal-burning stations, the backbone of the grid, each need between 30 and 100 engineers to run them on a three-shift system.

And such installations would seize up if soldiers, trained to run small power plants at Army depots, were let loose on them. The tolerances on the boilers are so fine that the danger of overload, or even explosion, is immense if control is in unskilled hands.

The Electricity Council has insisted, and the CCU accepted, that members of the 25,000-strong Electrical Power Engineers Association (EPEA) are indispensable and irreplaceable. What Royal Engineer and Royal Electrical and Mechanical Engineer (RME) technicians could do is to help power engineers to keep more equipment going - three rather than two 500-megawatt generators in a large coal-burner, for example - if EPEA men agreed to supervise them on maintenance and monitoring tasks in place of striking manual workers.

The Electricity Council and the EPEA are adamant, however, that they would not welcome military help. The council

and the CEGB have drafted detailed contingency plans to protect the country from disaster. They are based on computer simulations of how the grid can shed its load in an orderly fashion without the danger of switching equipment, industrial appliances and household goods that an uncontrolled degradation of the system would bring.

The authorities believe that with EPEA support they could sustain half of normal supplies well above the 30-40 per cent range where run-down could become unmanageable, for a substantial time without manual workers' or military help.

Their estimate was tested on November 4, 1977, when the 10 per cent shift was put to the four huge South Yorkshire coal-burning stations of Drax, Ferrybridge C, Eggborough and Thorne. March 1981, other stations in the Midlands suffered similar disruption.

Engineers used to working in the control room took over, with some trepidation, such familiar tasks as monitoring the pumps, fans and boilers and even unloading coal. Most surprised of all the handovers, the chemists at each station who maintain the critical purity of water supply for boilers, agreed to work.

In sustaining half of normal supply, and in the unlikely event of a strike on November 11, engineers at their stations and the National Grid Control Centre in London, with the five regional control centres, demonstrated their resources and stamina at the station, restored closer to a three-day week than

was appreciated outside the industry and the government at the time.

Power engineers are the most powerful group of workers in the country. The Government has no alternative but to rely on them to keep a sense of responsibility to the public that has accompanied their power since they were granted the right to strike by Mr Heath's Industrial Relations Act.

A senior EPEA official said: "If we decided to come out, that is it. We would not fight for people we much. There is no way that our members would come out and take on the Government unless there was a genuine prospect to shut the whole system down is not a strike, it is a catastrophe. I do not think it is a power that ought to be used. It does not matter how many the Army have got, if we will not let them in, we were going to do the job of keeping the stations going. We would stop anybody else. Technically, we could run a good half of the system by ourselves for a long time, almost indefinitely. However, it is virtually inconceivable that we would run the system ourselves. It is an official strike of manual workers and it would depend on the circumstances. We would do it if the strike was unofficial."

If the grid did collapse, danger to public health would be the greatest worry. The water system could be started from 10 to 12 hours. The Thames Water Authority, and many others, have standby generators at all their pumping stations.

If those failed and mains supply became contaminated, households without power would

find it very difficult to make supplies safe by boiling. Sodium hypochlorite tablets are an effective disinfectant in trained hands, such as the Royal Engineers, but in untrained hands they are useless.

Short of ultimate disaster, the CEGB has become increasingly diligent since the early 1970s in strengthening its hand against lesser but still worrying contingencies like a miners' strike, with secondary pickets preventing the movement of supplies into power stations.

Apart from coal, power stations need other strategic supplies like chlorine for water treatment, hydrogen for oiling, furnace oil for starting the boilers and oxygen for maintenance staff. Two months' supply of those are kept on site.

The British national grid is the strongest in the world, with more alternative routes for bringing power into conurbation than, say, the United States. If the unthinkable did happen, the damage would be enormous but the blackout would not be perpetual.

Up and down the country the CEGB has placed in sheds alongside the boilers clusters of jet engines designed for Concorde and the Vulcan bomber. These gas turbines can be started from cold within 23 minutes. Between them they can add almost 2,500 megawatts to the grid, enough to get the pumps, fans and boilers started again. Their fuel cost is high, but as an insurance policy they are worth every penny.

Next: Water supply

Heroin abuse policy is under review

By Stewart Tendler

Anxiety about the increasing use of heroin and criticism of Britain's drug treatment system have provoked a review of addiction policy by the Government's advisers on drug abuse.

Last week a working party within the Standing Advisory Council on the Misuse of Drugs began a study of Britain's system of drug addiction clinics and their treatment programmes. A second group will examine the operation of the notification procedures, by which doctors are required to tell the Home Office if they are treating an addict.

At the same time the consultants in charge of treatment clinics in London, which have the vast majority of Britain's known addicts, are to discuss the situation informally later this month.

The examination of the treatment system comes at a time when police and Home Office officials suggest the majority of Middle Eastern heroin is no longer passing through this country but staying in the country, where it is being used by registered addicts for 1978 showed

Simulators help in tank training

By John Cherracs

The British Army is seeking a rapid solution to the difficulty of finding adequate training areas in Britain and Germany by increasing its use of technically advanced simulators.

The Royal Armoured Corps, which always faced a particular difficulty in finding enough open space for tank driving and gunnery training, is in the vanguard of the development with its installation of realistic simulated fighting vehicle simulators at its depots at Bovington, Dorset, and Catterick.

A relatively cheap and simple gunnery simulator, invented by a sergeant-major, is also representing that of tank training.

The Catterick depot has for many years had a simple Chieftain tank simulator presenting a black and white picture to the trainee sitting in a fixed compartment. But the new "digital simulators" produced by the Linghale Company (UK) Ltd. are much more advanced.

They produce a full colour picture, and driving compartments that pitch, roll, yaw and react to ditches and even bumps in the road, and feed in all the noises and general sense of claustrophobia surrounding a tank driver.

The simulator, installed at Bovington for about £35m, is equipped with four separate "cabs" for the Chieftain main battle tank, the tracked infantry troop carrier, the Scout reconnaissance tank, and the Royal Engineers' new Combat Engineer Tank.

The Bovington RAC centre undertakes driver training for its own crews, instructors, and for Armoured Fighting Vehicle crews from other corps. The second simulator, named "Companion" at Catterick will have two "cabs" for the Chieftain and the Scorpion.

The Armoured Gunners' Simulator, named after its inventor, Squadron Sergeant-major Ronald Aquilina, of the Royal Tank Regiment, represents a marked advance on the gunnery training equipment Model (CME) in which tank gunners have received their initial training for decades.

It employs a low-power laser beam projector aligned with the gun, and a series of colour slides projected onto a screen, representing different types of terrain by day and by night, and differing weather conditions, including heavy snow.

An important aspect is its

Move to encourage sharing of cars to save fuel

By Peter Waymark
Motoring Correspondent

In an attempt to encourage car sharing the Government is proposing to remove the legal restrictions on motorists wishing to advertise lifts. The change will be effected through the forthcoming Transport Bill.

Mr Norman Fowler, the Minister of Transport, is keen to see more sharing of cars, particularly on commuting journeys in the big cities, to save fuel and reduce congestion.

An obstacle to sharing at present is that a motorist prepared to offer lifts is not able to advertise for instance by putting a card in a newspaper's window.

In an interview with *The Times*, Mr Fowler accused the previous Labour government of not being prepared to "throw its weight" behind the concept of car sharing, though he acknowledged that the Transport Act, 1978, had returned difficulties over insurance cover.

Mr Fowler will be visiting the United States in January to study the American experience of sharing cars. He said: "I think we have something to learn, not necessarily so that we should do the same things, but America is one country that has experimented in this area and I would like to see more experiment here."

He added that car sharing could not be a total solution, but if only a relatively small number of people could be persuaded to share their cars it would make a significant difference.

A recent report by the Government's Transport and Road Research Laboratory estimated that a 10 per cent increase in car occupancy would produce a net benefit to the community of at least £100m a year in reduced traffic congestion and running costs.

Mr Fowler said his general approach as minister is to persuade rather than introduce regulations and restrictions. He continued: "The police are already very much over-stretched and every new restriction you impose means an added burden on them. Any new law would have to have its need absolutely established."

One area where he is likely to legislate is drink and driving, though with the crowded parliamentary timetable he saw no prospect of doing that in the current session. He would shortly be issuing a consultation paper setting out the Government's view on controversial matters like random breath tests and the treatment of persistent offenders.

Bureaucratic barriers may block housing aid

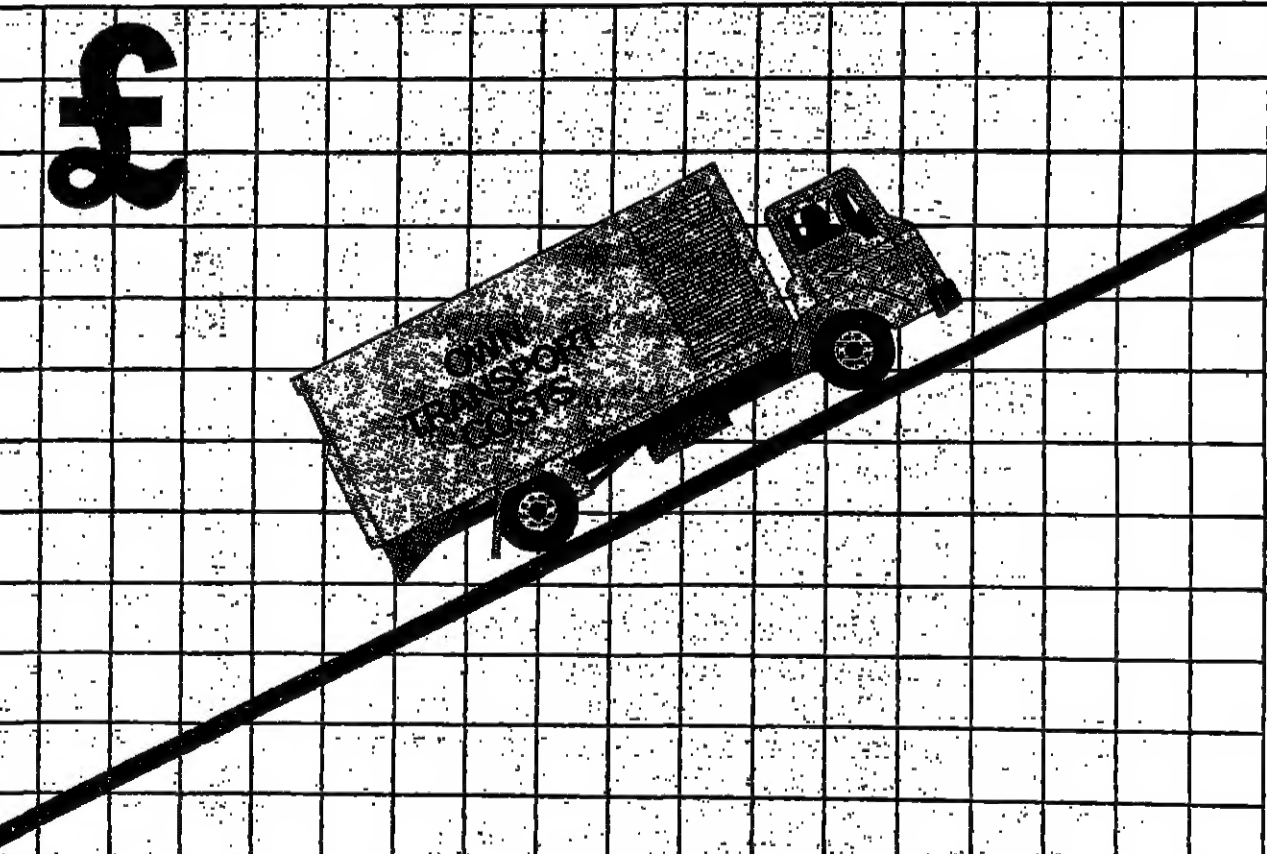
By John Young
Planning Reporter

The November wind sends dark clouds scudding across the steep brown rooftops of the Rhonda. In Mrs Margaret Edwards's tiny terrace cottage, the rain drips relentlessly through the bedroom ceilings, from which the paper hangs in sodden folds.

Tonight she will watch television alone as usual before going to bed by torchlight because the upstairs has never been wired.

Her plight, and that of thousands of other impoverished elderly owner-occupiers, exemplify the need for the extended repair and improvement grants which the Government has undertaken to include in its forthcoming Housing Bill.

It is still feared that the proposals will not be enough to arrest the serious decline in the condition of hundreds of thousands of older houses. The result, it is said, may eventually be clearance and redevelopment programmes every bit as socially destructive as that of the 1960s and early 1970s.



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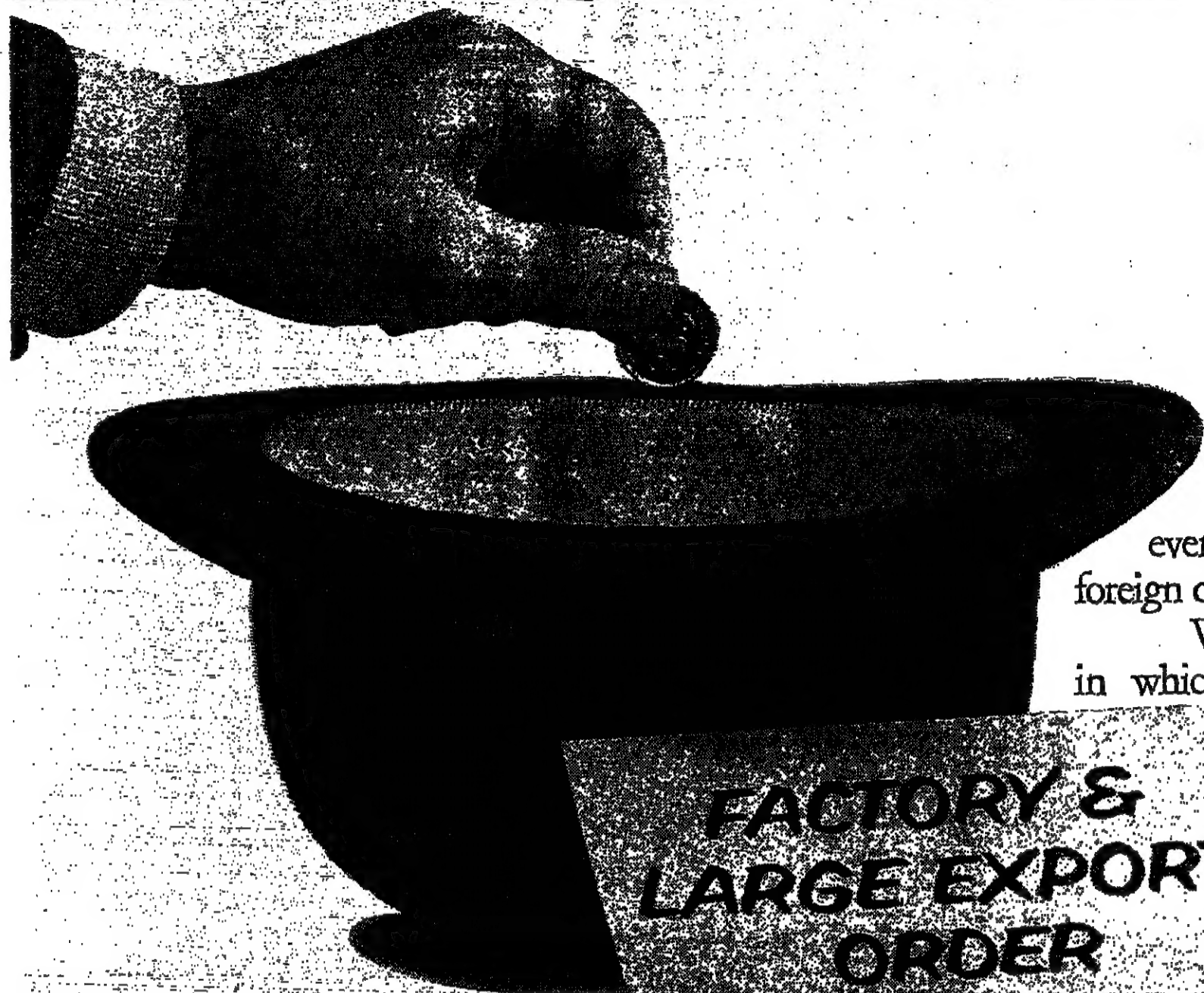
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Exporting will always take determination, imagination and hard work.

But if there's any way we can help, we will.

BARCLAYS

According to the latest Industrial Trends Survey from the CBI, the current outlook for British exporters is as gloomy as the British weather.

Manufacturing costs are rising fast.

A strong pound is making British goods dearer abroad, with the result that the bulging order books of a couple of years ago are starting to look ominously thin.

And where manufacturers do have export orders, finance is proving prohibitively expensive, thanks to the present high interest rates.

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السؤال الثاني

THE TIMES THURSDAY NOVEMBER 15 1979

One colour always unites the clans.



Black is the ultimate in whisky.

OVERSEAS

Links between Iran and America are near breaking point

From Robert Fisk

Tehran, Nov 14

Relations between Iran and the United States appeared to be at breaking point tonight after Iran had announced its intention to withdraw Government reserves from American banks and President Carter had decided to freeze Iranian funds under the American International Emergency Economic Powers Act.

The Iranian decision to take up to \$12,000m of Government funds from accounts in United States banks, both in America itself and abroad, was disclosed this morning by Mr Abolhasan Bani-Sadr, the newly appointed Foreign Minister, who told a press conference in Tehran that the ruling Revolutionary Council had approved the action.

It was probably inevitable that Mr Carter would take steps to stop to large an outflow of cash from American banks, into which the United States had also been paying its accounts for the now-suspended Iranian oil supply. There is a suspicion in Tehran that the Iranian action was designed to prompt just such a response from Mr Carter.

In fact, the Iranian authorities are unclear how their funds could be withdrawn rapidly from the United States even without a presidential ban on such a transaction and there is considerable doubt about the exact figure for Iranian dollar reserves held by American banks.

Although diplomatic relations still exist theoretically between the two countries, the telephone connexion between the State Department and America's occupied embassy in Tehran is one of the direct channels now left between the Carter Administration and the authorities in Iran.

Students at the embassy confirmed today that they had received a call from the State Department. They said they told the caller that they, sole condition for the release of the prisoners was still the extradition of the Shah, who was admitted to the United States for treatment for cancer.

Mr Bani-Sadr made his announcement in the main hall of the Iranian Foreign Ministry. It was not until half-way through his press conference that he mentioned in an almost off-hand way that Iran intended to withdraw \$12,000m of Iranian Government funds from American banks and put it into the hands of countries more favourable to us, like France and Germany, he said.

In fact, about 30 per cent of Iranian reserves are believed to be in West German banks. According to one banking official, only about \$7,000m is lodged with American banks.

Earlier, Mr Ali Akbar Mojtahed, the Iranian Oil Minister, said that Iran had sent a telegram to the meeting of Opec ministers in Vienna to announce formally that Iran had cut off all exports to the United States and that it expected to be "backed up" by the other oil-producing nations.

He repeated the claim made yesterday by Mr Sadeq Oghazadeh, the acting Minister of National Guidance, that Iran's Revolutionary Council had made its decision to cut supplies to the United States before Mr Carter had ordered a halt to imports of Iranian oil. Mr Mojtahed served a warning that there might be a rise in oil prices.

While both the American Government and the Iranian Revolutionary Council are playing for ever higher stakes, first with the oil weapon and then with a limited financial war, the original cause of the breakdown of relations between the two countries—the 52 hostages held inside the United States Embassy in Tehran—has been almost forgotten by the Iranian press.

Today, however, it became apparent that even Mr Bani-Sadr was unclear as to the exact number of conditions which the Americans must fulfil in order to secure the release of the hostages. A Foreign Ministry document released to the overseas press corps today quotes the minister's open letter to Dr Kurt Waldheim, the United States Secretary-General, in which he demands only an investigation into the Shah's "criminality" and the transfer of the Shah's wealth to Iran.

However, in a different translation of the same letter, principally intended for domestic consumption, there is an extra sentence added to the first condition to the effect that the Shah should be returned to Iran for trial.

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No headway made in Sino-Soviet meetings

From Michael Blayton

Moscow, Nov 14

Soviet and Chinese negotiators met again this week for three hours in Moscow in their second plenary session since talks on resolving the deep-seated differences between the two countries formally began last month. Chinese sources said afterwards that no progress had been made, with both sides retaining their earlier positions.

The talks, the first serious attempt to bridge the rift between Moscow and Peking for 15 years, have made no headway at all so far and both the Russians and the Chinese are openly sceptical of anything substantial coming out of them.

Both sides are led by deputy foreign ministers, the Chinese by Mr Wang Youping, until May his country's ambassador in Moscow, and the Russians by Mr Leonid Dyukov, a veteran negotiator who has been conducting the fruitless 10-year border talks with Peking.

The Chinese delegation arrived in September, but the first month was spent in five preliminary meetings to agree on an agenda. That question is still unresolved. The Russians have proposed joint declarations of principles, while the Chinese want to discuss matters point by point.

The Chinese also want to include the situation in South-east Asia and Vietnam, Russia's ally, whereas the Russians insist on limiting the talks to bilateral issues.

Only Stalin escapes admission to Mr Hoxha's gallery of rogues

Diary of the Albanian outsider who finds rest of world now totally out of step

From Dossa Trevizan

Belgrade, Nov 14

Politicians do not usually publish their memoirs while they are in power, but Mr Enver Hoxha, the Albanian Communist Party leader, is an unusual politician even by Communist standards. He has been in power for 35 years and, over that period, his country formed and broke off three successive alliances—first with Yugoslavia, then with Russia, and finally with China.

He has now just published his 1,900-page diary, entitled *Reflections on China*. It is an insider's story with a running commentary about the state of Sino-Albanian relations. The "eternal, unbreakable alliance" began in 1961 and collapsed in 1978 the same way as the previous two.

The Hoxha story is as bizarre and intriguing as the alliance itself, providing an even more fascinating insight into the Albanian leader's character, deep-rooted mistrust, extreme pride, fanaticism and the claustrophobic world of communist politics.

In the process, Mr Hoxha reveals his gathering doubts about Chairman Mao and the theory and practice of Maoism. He concludes that Mao was not a Marxist and that the Chinese revolution was not genuinely proletarian. With China discredited from being a genuine socialist state, Albania is left as the sole, long bastion of true revolutionary Marxism in the world.

To make his point clearer still, he dismisses virtually the entire past and present leadership of the Communist world as turncoats, pseudo-Marxists, American agents or lackeys of the bourgeoisie.

Chou En-lai, the late Prime Minister, was "the greatest laggard of the Chinese Shakespearean theatre of American imperialism". President Ceausescu of Romania was "an adventurer and a panderer, who runs a



No punches pulled on turncoats by disillusioned Mr Hoxha

corrupt regime": when Mr Brezhnev, the Soviet party leader and head of state, talks of communism it is like the noise of a tin can tied to a dog's tail.

Stalin is the sole exception in Mr Hoxha's gallery of rogues. That Mr Hoxha is the only genuine Marxist revolutionary leader left is thus established beyond doubt, and this is obviously what the diary is designed to prove.

What it all boils down to is that, ideologically, Albania disagrees with the rest of the world, capitalist, socialist, and whatever is in between. But the message Mr Hoxha appears to convey is that Albania needs

Abortion Bill failure shakes Begin coalition

From Moshe Brilliant

Tel Aviv, Nov 14

The Israeli Government was shaken this week when a Bill designed to stop allowing women to have abortions for social reasons failed to pass its first reading in Parliament in Jerusalem. With 10 coalition deputies voting with the Opposition or abstaining, the vote was 54-54.

This meant Mr Menachem Begin, the Prime Minister, failed to deliver on an undertaking to the ultra-orthodox Agudat Yisrael party to enact the reform as their condition for entering his coalition in 1977. The defection of their four deputies now would leave the government with a precarious parliamentary majority of one. Several deputies in the coalition who have complained that the government's West Bank settlement policy was too soft have been sitting on the fence.

The decision whether the four Agudat Yisrael deputies will leave the coalition will be taken by the movement's spiritual leaders, a council of elderly religious scholars. But Rabbi Shlomo Lorincz, the party's leader in Parliament, said he will recommend that they give the government another chance since Mr Begin and his colleagues had made a sincere effort to get the Bill passed.

The Bill may be introduced again after a two-month cooling off period.

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OVERSEAS

Phnom Penh warns Bangkok of consequences if Thai shelling of Vietnam positions continues

From Peter Hazelhurst
Bangkok, Nov 14

Phnom Penh today accused Thailand of shelling the positions of the Kampuchean and Vietnamese forces operating close to the border mopping up pockets of Khmer Rouge troops loyal to the ousted Pol Pot.

Many of Pol Pot's armed supporters have crossed into Thailand and are using bases near the frontier to harass the Kampuchean and Vietnamese troops supporting the Heng Samrin government in Phnom Penh.

Radio Phnom Penh, now known as the "Voice of the Kampuchean People", claimed that the Thai army has been firing mortars and artillery shells into Kampuchea for the past three weeks. Thailand would have to take "full responsibility for its actions", it said.

A spokesman for the Thai Government said today that the army has been instructed to return fire if it is attacked. It will also fire upon an "armed alien force" if it attempts to enter Thailand.

The strident tone of Radio Phnom Penh's accusations illustrates how tension is building up on the border of Kampuchea and Thailand.

Western intelligence reports indicate that 200,000 Vietnamese troops have been installed in Kampuchea to bolster Heng Samrin's regime. The Vietnamese who frantically now find themselves in much the same position as the Americans were in the early sixties—are being harassed by

an estimated 30,000 Khmer Rouge troops and a rightwing nationalist organization, the Khmer Sert.

The guerrillas are armed with Chinese AK47 automatic weapons, American M16 rifles and the American M79 grenade launcher and an assortment of mortars.

The five non-Communist member states of the Association of South East Asian Nations, who fear that the fighting might overflow into Thailand, are attempting to use diplomatic pressure to persuade Vietnam to withdraw from Kampuchea. Yesterday Singapore suggested that the United Nations might form an interim administration in Phnom Penh if Vietnam takes the highly unlikely step of unilaterally withdrawing from the territory.

Mr Lee Kuan Yew, the Prime Minister of Singapore, recently called on Western Europe, the United States and Japan to use their economic clout to persuade the Vietnamese to withdraw.

Meanwhile, officials and western politicians who visited Phnom Penh this week say that thousands of people hounded out of the capital into harsh economic zones four years ago, are slowly drifting back.

Signs of debris and destruction are still evident and the central market and shops remain closed. But street stalls have opened and display rich, sugar cane and dry fish.

Money, which was abolished by the radical Marxists of Pol Pot's regime, is still not in circulation but the more moderate Marxist regime now in Phnom

Penh claims that money will be re-circulated next year.

Visitors to the city also found other evidence that the quality of life is improving. Although the university remains deserted some schools have opened. Today, 10 months after the Vietnamese marched into Kampuchea to oust Pol Pot's brutal regime, Phnom Penh appears to be mainly inhabited by communists, cadres, functionaries and Vietnamese and Soviet advisors.

The new regime is also appealing to the educated professional class, doctors, teachers and skilled workers, to return to the cities.

Bangkok, Nov 14.—International aid agencies trying to get food and medical relief to starving and sick Kampuchians face enormous difficulties in distribution. Mr Henry Labouse, the head of the United Nations Children's Fund (UNICEF) said today.

The Phnom Penh government recognized that much more would have to be done to improve distribution, he added, but "they are still suspicious about all this international assistance (to aid) from the West".

Singapore, Nov 14.—A barge carrying 1,500 tonnes of food and other relief supplies for Kampuchea from Oxfam has reached the mouth of the Mekong river and is waiting to take on a Vietnamese pilot, an Oxfam spokesman said here.

A statement from Oxfam headquarters in London said: "The only delay to the barge has been a fully expected delay for immigration clearance."

—Reuters

Pretoria's top security job goes to young don

From Ray Kennedy
Johannesburg, Nov 14

A young academic has been appointed by Mr P. W. Botha, the Prime Minister, to the most powerful security post in South Africa in one of his most surprising moves of his first year in office.

Professor Lukas Barnard, aged 31, deal of the political science faculty at the University of the Orange Free State in Bloemfontein, is to become Secretary of the Department of National Security (Dons), successor to the ill-starred Bureau of State Security (Boss).

He has been appointed over the heads of professionals who have risen through the ranks of South Africa's security services and over experienced career security and intelligence officers.

The appointment is seen partly as a move by Mr Botha to rid the administration of any taint of the "mildergate" scandal involving the misappropriation by the former Information Department of a great deal of taxpayers' money.

The former head of Boss, General Hendrik Van den Bergh, the closest confidante of former President Vorster, was closely involved in the Muldergate affair and intimately concerned with some of its secret projects including the clandestine state financing of the Citizen newspaper. He retired a year ago to farm when the scandal broke.

Boss was downgraded in influence and restructured as Dons, while Mr Botha, who is also Defence Minister, turned to his army friends for intelligence support.

Members of Dons, who have been working in a state of uncertainty for some time, said today they had expected Mr Botha to appoint a senior military man as their chief as a result of the long-standing tensions between military intelligence and men drawn from police security ranks.

But others saw a political connotation behind the young professor's appointment and muttered about "the Bloemfontein connection".

This was a reference to the fact that Mr Alwyn Schlebusch, Orange Free State leader of the National Party, has been appointed Minister of Justice and Interior, and another Free Stater, Mr Kobie Coetzee, is Deputy Minister of Defence and National Security.

The academic provokes his friends as "phenomenal". He is a prolific author on subjects related to security measures.



Mr Thomas Hammarberg, a Swedish journalist, aged 37, was appointed last night the new secretary-general of Amnesty International, the London-based human rights organization. He succeeds Mr Martin Ennals.

Seoul roundup includes two Amnesty officials

Seoul, Nov 14.—South Korean police have arrested 23 people they allege are part of a pro-Communist guerrilla network.

A spokesman for the Government said today. Those arrested include leaders of the local branch of Amnesty International.

A spokesman for Amnesty said the police story was untrue. He described Mr Ennals as a prominent literary critic and professor.

He convicted of subversion, members of the alleged guerrilla network could face the death penalty.

On the political front, Mr Choi has promised that a new President will be named under current provisions of the constitution, which gives the controlling vote to 2,600 delegates. Control of this procedure has assured the ruling Democratic Republican Party that it remains in power.

But since Mr Park's death at the hands of his intelligence chief, Opposition groups have renewed demands for free elections.

Apparently supported by the Military Command, Mr Choi proposes that the new President, who would be elected before the end of this year, would be a caretaker, presiding over the constitutional reform. He would step aside before the expiry of the normal six-year presidential term to allow an election.

—Reuters

Journalist taken from bed by Pakistan detectives

From Our Correspondent
Islamabad, Nov 14

Pakistan police last night arrested a Pakistani journalist, Mr Salamat Ali, who works in Islamabad as correspondent for the Far Eastern Economic Review of Hong Kong.

He was woken and taken away by two men in a Volvo car and so far his wife has not discovered the reason or where he is.

Mr Salamat Ali has been correspondent for the Hong Kong weekly for a number of

years, although he had not been granted government press accreditation.

Press censorship was imposed by the military regime on October 16 but foreign journalists were told they were free to report for their papers. However, five Pakistani newspapers were ordered to close down and several others have been placed under press censorship.

The latest to be served with a press censorship order yesterday was Islamabad's only English Daily, Muslim, which began publication from the capital in May this year.

—Reuters

Monument to Karl Marx in Addis Ababa

From Our Correspondent
Nairobi, Nov 14

The foundation stone for a monument to Karl Marx has been laid at Addis Ababa University by Herr Eric Honecker, the visiting East German Communist Party leader.

Herr Honecker said the monument was an indication of the way Africa was being guided by Leninism towards national emancipation and development.

The East German delegation, which included Herr Willi Stoph, the Prime Minister, and Herr Oskar Fischer, the Foreign Minister, visited the Tazeta military training depot, on the outskirts of Addis Ababa, where Ethiopians were trained for the militia which helped to defeat Somali forces in the Ogaden last year.

East Germany has provided military and other aid for Ethiopia's Marxist government.

Brazil tribute to 'The Times'

Rio de Janeiro, Nov 14.—Rio's leading daily newspaper Jornal do Brasil devoted a whole page in its feature supplement to articles about The Times. Its recent industrial troubles and its history.

"After 348 days of silence the flag of Brazil is flying again," it said. "The Times is as much a British institution as Big Ben, Sherlock Holmes, the bowler hat or five o'clock tea."

—Reuters

10 widows at funeral

Nairobi, Nov 14.—The 10 widows and 21 children of one of Kenya's oldest men, Kamau Longit, reputed to be well over 100, attended his funeral at Nairobi, 70 miles west of Nairobi. He had 120 grandchildren.

Six composers denounce book

Shostakovich journal branded as forgery

From Michael Binyon
Moscow, Nov 14

Six Soviet composers today denounced the memoirs of Dmitri Shostakovich published recently in New York as a dirty forgery aimed at distorting the memory of the great Soviet composer and blackening Soviet culture.

In a letter prominently published in the weekly Literaturnaya Gazeta the six signatories, who say they were Shostakovich's friends and pupils of Shostakovich, maintain that the memoirs, published by Harper and Row and serialised by a number of newspapers, are entirely the work of "a certain S. Volkov" and has nothing in common with Shostakovich's real memoirs.

Solomon Volkov, a Leningrad musicologist now living in New York, had a number of lengthy talks with Shostakovich before the composer died in 1975. In an introduction to the book, Mr Volkov says Shostakovich signed every chapter as he completed it.

Harper and Row have denied that the book is a forgery, and said they carried out an investigation to verify themselves that it was genuine.

The six composers include Mises Vainberg, a Jewish composer, and Boris Tishchenko, widely recognised as one of the most talented of Shostakovich's pupils who is praised in the memoirs.

Their letter is the first mention of the memoirs in the Soviet press. Officials of the Soviet copyright agency, Vsesoyuztiskoprazhdeniye, called in Western correspondents of Communist papers here a few days ago and similarly denounced the book as a forgery. The memoirs, whose existence has been known in Western radio stations, have been widely discussed in Soviet musical circles.

In the book, Shostakovich, who was harshly attacked three times by the Stalin period, emerges as a sad and bitter figure who privately despised Soviet cultural policies and made repeated artistic compromises in return for his own survival.

Today's letter says Shostakovich was the soul of art and politeness, and it was impossible to imagine that he should attack fellow composers, musicians and writers in such a rude and negative way. The authors say his whole life and

work were bound up with the Revolution and modern Soviet society and he gave invaluable help to young composers.

By his example, Dmitri Shostakovich taught kindness, honesty, healthy attitudes to other people and an implacable hatred of falsehood," the letter says.

His teachings are sacred not only for us, who are his direct pupils, but for everyone who knew Dmitri and was influenced by his noble personality. It is terrible that the disgusting attempt to obliterate all this is attributed to the composer himself.

An official of Vaap told Western Communist reporters a few days ago that the publishers had refused to halt publication of the book, as Vaap requested, or to submit the manuscript to Soviet scrutiny. The anger and insistence with which the book was denounced suggest that the Russians have been deeply embarrassed by its appearance, and will now mount a major campaign to try to discredit it.

In spite of the attacks on Shostakovich during Stalin's time, he was recognized as one of the greatest composers of his time, and was awarded numerous state prizes and honours.

The signatories of the letter admit that the 1948 denunciations of the composer for "formalism" were unfounded and unjustified. The accusations, they say, caused Shostakovich great sadness and suffering.

But we know that this sensitive and vulnerable man had an iron will. He courageously put up with this unfounded charge, and in his music again and again showed his greatness.

In any case, they add, the Communist Party's Central Committee formally removed the accusations in 1958.

The composers say Shostakovich's family knew in advance that the memoirs would be published and asked to see a copy, but were refused. The reason, they say, was because the publishers knew that a personal word would lead to a swift denunciation of the memoirs as a forgery.

But they add: "No lie from the dirty hands of businessmen and scoundrels can distort the noble image of the genius and the great patriot." Shostakovich's music itself refuted any such falsification.

Soviet musical sources say that the composer's son, Maxim, himself a conductor, is expected to support the contention that the memoirs are a forgery.

—Reuters

Korchnoi's son arrested for evading call-up

Moscow, Nov 14.—The Soviet police have arrested the son of Viktor Korchnoi, the chess master, who went into hiding to avoid conscription, disident sources said today.

Igor Korchnoi, aged 20, had applied to join the Soviet army but was refused military service because of his father's status. Since conscription is compulsory for all Soviet men, he is refused permission to emigrate for many years because of their presumed access to military secrets.

The disident sources said Mr Korchnoi was detained in Moscow in the past few days. Evading conscription is punishable by a jail sentence of up to three years.—Reuters

Mrs Gandhi is accused of authoritarianism

From Our Own Correspondent
Delhi, Nov 14

Mrs Vijayalakshmi Pandit, sister of Mrs Gandhi, today publicly accused the former Indian Prime Minister of continuing to favour authoritarianism which Mrs Gandhi said had brought disaster to the country.

Speaking in Bombay on the birthday of her brother, Jawaharlal Nehru, Mrs Pandit said of Mrs Gandhi: "If people like authoritarianism then they can certainly bring her back to power in the forthcoming general election."

Mrs Pandit is the former Indian High Commissioner in London.

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SPORT

Tennis Okker has a bad day at the office

By Rex Bellamy
Tennis Correspondent

Two fair-haired British tennis players with a combined height of almost 12ft 6ins have confronted expectations by advancing to the second round of both singles and doubles in the Benson and Hedges tournament at Wembley. Richard Lewis, who was beaten in the qualifying competition but filed a gap in the draw, came back from 2-3 down in the third set to beat John Okker, 6-5, 6-4, 7-5 yesterday. Robin Drysdale, granted a "wild card" place left to the discretion of the organizers, had beaten Tom Gorman on Tuesday. Lewis and Drysdale, who have won many championships with other partners, beat Gorman and Frew McMillan, who had to scratch because of a bad leg, in a match that was a journey from Bristol and the British pair thus popped in to the second round without playing.

Okker, almost 11 years Lewis's senior but in the past two years has reached the semi-final and quarter-final rounds at Wimbledon. For almost two years Okker was slightly the better player without needing to do anything outrageous. He looked like just another day at the office, when Lewis was doing his best but, when serving at 4-4 and deuce in the

second set, he was reeling on the ropes—just hanging on and hoping to win the last few points. Okker could not put him away. Lewis held his service for 4-4 and broke through for the set with a service return to Okker's toes. In the third set Lewis always felt he had a chance, even when Okker went ahead to 5-3. Okker was to score only seven more points. He was serving at 5-4 and 30-15 but lost that game when a service return by Lewis clipped the net cord and died while Okker was still at the back of the court, convinced that he had served a let. In this opinion Okker was in an angry minority of one. Before he could regain his composure, Okker lost a match that had twice been within his grasp.

Without knowing what—if anything—to do about it, the organizers were cross about the fact that 10 of the 25 players, granted direct access to the singles draw had not come under scrutiny orders. Nor did one of the replacemenes. Two men beaten in the qualifying competition found themselves sharing a court.

Fred Taylor, whose name is fact disguised as fiction, beat Andrew Jarrett 6-1, 6-4, Jarrett, 21 and British, had been playing doubles until the small hours—and found the court surface. Taylor's brand of tennis uncut, this was the kind of match he should be winning. He should certainly not be losing the last 15 points of this kind of match.

The second set, Guillermo Vilas was beaten, 6-3, 6-2 by another of those Americans with improbable names, Hank Pfister, who also won their only other match this year. Pfister serves better and, as he said later, devised more chances than Vilas of getting to the net. The match was close but the quality of the tennis uneven.

Pfister generously suggested that the most controversial calls hurt Vilas more than they hurt him. When serving at 3-3 and 0-30 in the second set, Pfister was in trouble. But that game launched him on a run of seven in succession and the draw began to look more than even like a case of John McEnroe and supporting cast.

McEnroe beat John Lloyd 6-4, 6-1, last evening. Lloyd lost only one point in his first three service games but never held it again. This was partly because his first service lost its precision and partly because McEnroe, having broken all five of his first three service games, 5-3 with four impressive backhands continued to ask searching questions with his returns.

Neither was at his best. But Lloyd demonstrated that the winning talent of 1979 may yet be here.



The man who lacked the knockout punch: Okker (left) had Lewis reeling on the ropes but could not put him away.

Sports Minister urges unions to call off Lions tour

Rector Muro, the Minister of Sport, made a "desperate plea" last night to the rugby unions to call off the British Lions tour to South Africa, in 1980. He told the Central Council of Physical Recreation (CCPR) delegates in Bourneville, that the unions should reconsider their position and not jeopardize other organizations and their future arrangements.

In a definite hint about the 1980 Moscow Olympics, Mr Muro said: "I am worried about the future. That is why I have made this plea."

Speaking at the CCPR's eighth annual sports conference, he told representatives that he could not give an assurance that the Lions tour would be cancelled. "All I can give you is that I am using my office to discourage any tour," he said.

Mr Muro stressed that the recent tour by the multi-racial South African Barbarians rugby team had not been a problem, despite anti-apartheid demonstrations. But he added: "The problem is the tour to the future. It is not only the Olympics I am worried about but other world championships and other international events that could be affected by continued breaches of the Gleneagles agreement."

The Government "appreciated" anti-apartheid protests being made in South Africa, but until the Gleneagles agreement was renegotiated by members of the Commonwealth that was the document by which he had to operate. "Let us be very clear on the Government's stance on this."

We inherited this statement, but our press release in September made it clear that we recognize that progress has been made in South Africa towards racialism," Mr Muro said.

"We welcome this and shall continue to watch the situation carefully. If and when we judge sufficient progress has been made we shall be ready to consider discussion with fellow members of the Commonwealth the possibility of modifying the Commonwealth statement."

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Hockey Whale of a success for Jonah's men

By Sydney Friskin
Cambridge Univ 2 H.A. XI 6

Followers of this annual match at Fenner's yesterday could not recall a team representing the Hockey Association had last scored six goals. It was a satisfying result, achieved at a time when English hockey needed a boost, albeit at the expense of an inexperienced Cambridge University side. All eight goals were scored in the second half.

L.S.E. (Jonah) Jones, who picked the H.A. side himself, had his own explanation for success. "Well, they do not always have the same manager," he said. "It was a victory gained, nevertheless after much early uncertainty on a wet and gloomy afternoon. Before the match was five minutes old, Bancher was seen limping with a knee injury. Jones, who was brought into the centre, there to distinguish himself later by scoring three goals. For the first 10 minutes, Cambridge dictated the course of play without establishing authority. The defence were frequently caught off guard, and somewhat surprised by the stickwork and acceleration of van Delden and Duthe.

Duthe and Francis, working extremely hard, set up most of the H.A. attacks and three short corners were forced. The defence was difficult, and striking utterly inaccurate. So, when the first half ended in a 2-2 draw, it was a surprise to many. The second half was a different matter. The H.A. side, led by Jones, was in full command. They scored four goals in the second half, with Duthe and Francis contributing most. The match ended 6-2 in favour of the H.A. side.

Chocolate soldiers of the Queen

By Keith Macklin

Before leaving Heathrow for the long flight back to the sunny South Pacific, the Papua New Guinea Rugby League touring team players insisted on going to London in the hope of catching a glimpse of the Queen. The team, led by the Big Boss White Lady, is the New Guinea native word for the Queen, who is just about to get to London for the first time. They are just about to get to London for the first time. They are just about to get to London for the first time.

The tour of England has been a source of delight and disappointment for the Papua New Guinea players. They have seen the Queen, but they have also seen the Queen's Guard. They have seen the Queen's Guard, but they have also seen the Queen's Guard. They have seen the Queen's Guard, but they have also seen the Queen's Guard.

Football Forest emerge from the trees and chop down Bristol City

By Norman Fox
Football Correspondent

Nottingham Forest 3 Bristol City 0

Somewhere behind the smoke screen of headline-mongering, the Forest have emerged from the trees and chopped down Bristol City. The Forest, who were relegated last season, have won their first league game since then. They did so in a style reminiscent of their championship days.

They were not long in reaching all of their natural goals and they retained it throughout. Although given an abrupt surprise when they were beaten by the first team, the Forest were not to be taken in by the first team. They were not to be taken in by the first team. They were not to be taken in by the first team.

Results yesterday

League Cup, fourth round replay

Chelsea 2 West Ham United 1

Second division

Sheff Wed 1 Sheff Fri 0

Third division

Sheff Wed 1 Sheff Fri 0

Fourth division

Sheff Wed 1 Sheff Fri 0

The unpredictable return of the seven Samurai

By Geoffrey Cross

Chelsea 2 West Ham United 1

On waking from a long sleep with a rusty pen, it was perhaps too much to expect the dawn of a new era in football. But the Chelsea team, who were relegated last season, have won their first league game since then. They did so in a style reminiscent of their championship days.

Cummings on the move

Sheff Wed 1 Sheff Fri 0

Sheff Wed 1 Sheff Fri 0

Sheff Wed 1 Sheff Fri 0

Sheff Wed 1 Sheff Fri 0

Motor rallying A team to fill the void after Ford have gone

By John Blundell

The Rothmans rally team, utilizing world-class drivers and workmanlike cars in an independently operated unit, were unveiled yesterday. They are part of the Rothmans team, who were relegated last season, have won their first league game since then. They did so in a style reminiscent of their championship days.

Rugby Union Immaculate Hewson has a field day

By Bill McLaren
Anglo-Scots 9 New Zealanders 0

The dominance of Andy Hewson in the middle of the line at the total reliability of Hewson under aerial bombardment was the most influential feature of rain-soaked match at Dundee yesterday, in which the All Blacks retained their 100 per cent record with victory over a spirited Anglo-Scots XV by a goal and four penalty goals in three tries.

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What immigrants are asking, he was told, is how many white grandmothers would have been locked up. He might have counter-questioned how many white grandmothers would have tried to get into Britain, not on an individual basis, but as part of a communal migration. Again, after an analysis of the latest immigration figures had been made, he said, the introduction of the new proposals could only reduce immigration by a

riases will not, in practice, take effect for another two years. A nationality law is not yet in sight, and there are no plans for the kind of internal controls that would really be necessary to stop the abuse of permanent settlement by those who entered legally for a short stay and then remained. The government has calculated outcry against the little it is doing, it would risk a dangerous disillusion among the majority of the people who are concerned about the damage being done to the homogeneity which any nation needs if its social fabric is not to be weakened by community divisions. The minorities have rights, but the majority include discrimination in the majority.

After all, if a man is going about studying the marital upsets of mosquitoes and not content with chronicling their appearance in the divorce courts under the heading "Are mosquitoes monogamous?", claims in addition that they are a group-grope ("Sexual activities during single and multiple cohabitation") and that some of them ("Non-heterosexual behaviour...") are as queer as a square grue as well, it will be readily believed that the *meshugganah* in the white coat will stop at nothing to make his researches known to the masses. And he will be right, for the most titles of his studies, just say where you are, while I tell you what they actually say.

most mind varying, the straight and narrow with a bit on the side when they can get it; nor, you will agree, an attitude entirely confined to mosquitoes. But if the suspicion is provoking on you, I will quote a passage from a well-known scientific work, which has pronounced tendency to state the obvious, it will grow a good deal faster when you less what he has concluded from his study of single and multiple co-inhabitations of the same place. He has observed six separate stages in the mating behaviour of mosquitoes, viz.:

- (1) Males appear to search for females (even though the female may, no, may be, "definitely located")
- (2) The male may actively pursue her
- (3) The male captures the female and subsequently very quickly becomes ventral to her
- (4) Either while still air-borne or after the couple has landed, he establishes genital contact
- (5) He copulates over a variable time span. At the end of the copulation . . .
- (6) . . . female or both actively terminate the union.

And from this he makes a lively inference. There is a man in Maryland employed to tell the world what all the world would like to hear. "The world," in which, "air-borne" . . . to draw attention to the existence of the Mills High Club, and he gets paid for it. Doing what comes naturally is not enough, but concluding is not enough, either. For the "world" is not for the "world" (just) as he tells us that "males appear to search for females" (but having found one, the male "quickly becomes ventral" aligned to her and that when the male "pursues" the female, he "establishes genital contact" . . . the male or the female or both terminate the union" and that "some males definitely make a choice among females" (And vice versa,

But it is when I consider the implications of Doctor Daffrie's third paper, "Nonheterosexual behavior in mosquitoes," that I recall most vividly my old mum's oft-repeated assertion that There Are More Out There. For he is not content with claiming that studies revealed that many male couples observed to fall to the floor and to be grossly misaligned relative to each other but also insists that some males "make repeated efforts to make genital contact, and the couple may stay on the floor for a relatively long time, rolling over and over," an allegation that could easily lead to court proceedings involving simultaneous charges of indecent exposure, common assault and domestic violence. In between these struggles, the couple may strand in mutual catatonia. (Has he considered the possibility that they have just caught sight of a mosquito and are now staring at it at them? If I saw Professor Colvard Jones peering at me while I was "attempting to grasp an other male's terminalia," I would get into a fight with myself, as I'm not a mosquito.)

It will hardly be believed even of a man so obviously dead to shame "if it was observed that many of the males preferred to the old ones" that after all this scandalous whif he tries to get out of it by pretending to have concluded that it does appear to be "strapped to come out" among say mosquitoes is all a mistake, and in reality represents only the consequences of short-sightedness, the aggressive nature of the nonheterosexual activity being under the impression that he is in fact involved with a mosquito of the opposite sex. Indeed, the brute sums up with the rudimentary advice to "be on the lookout for short-sighted mosquitoes." It is better to grab and take a chance on having the right partner than no partner at all.

And, if he has sum up so, Shattuck is to listen carefully for the knock on the door that reveals they have come for him (not, a moment too soon), and then fall quickly to the floor in a state of mutual catatonia. And a side note: I suspect the mistake of trying to "erect his paraproct or aedeagus," a gesture virtually certain to be misunderstood by the men with the scalpel, is, not to mention the

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says something for the reputation of Dr Milton Obote, the former Ugandan President, that it is his shadow which now looms over Uganda rather than that of the ousted tyrant, late Marshal Idi Amin.

Amin is almost forgotten, his rule ruthless and bloody dictatorship almost a distant memory—a nightmare which most Ugandans simply want to forget. His command post is empty; his instruments of repression, such as the State Security Council, are abandoned, his threats to return ignored.

No one, however, discounts the possibility of Dr Obote returning to Uganda. It is a prospect that some Ugandans would welcome, but which more, especially the country's blacks, would like to see Uganda, dead.

Under Dr Obote, who was in power from independence in 1962 until his overthrow by Amin in 1971, Uganda was transformed from a federation of tribes into a single-party dictatorship. It was a mass-party dictatorship than a one-party dictatorship. It was

Amin's, but just about as ruthless, and many Ugandans today blame Dr Obote for indirectly laying the groundwork for Amin's takeover.

The Baganda, who comprise about a quarter of the population, have still not forgiven the way he destroyed their kingdom and took away their lands.

Dr Obote's main power base lies not in Uganda but in Dar es Salaam, 700 miles to the south, where his friend, President Julius Nyerere, has provided him with a base for the past eight years. The Kenyan troops were defeated Amin's forces earlier this year and who now underpin the Government of President Godfrey Binaisa by maintaining a force of some 20,000 Kenyan troops in the country.

Many Ugandans, particularly those who were in political opposition to Dr Obote when he was in power, fear that Nyerere is trying to reimpose Dr Obote on the country. They are not for example, that the Tanzanian leader insisted on certain portfolios being given

To Dr. Obote's supporter (notably Mr. Paul's Mwanuzi, the Interior Minister), following the conference at Moshi last March which led to the establishment of the Uganda People's anti-Amin organizations known as the Uganda National Liberation Front (UNLF).

The ousting of the UNLF's first president, Professor Yusuf Lule, a conservative academic, in June, and his replacement by President Bionda, was also a surprise, since the latter was a well-known and long-time member of the UNLF, and was believed to have been misinterpreted from Dr. Salama—although members of the UNLF's all powerful National Consultative Council (NCC) insist that the decision to remove Lule was exclusively theirs and was done because Lule was becoming too dictatorial in his handling of the council's advice.

President Nyerere, who is aware of the widespread anti-Obote sentiments inside Uganda, seems to be prepared not to force the issue now but will instead encourage Dr Obote to stand in the 1980 elections.

tough army chief-of-staff Lt. Col. Olyte Djik. However, a number of other people were identified with the UPC, particularly among those who were brought into the NCC. The army is expected to add 127 members two months ago, are engaged in making new alliances.

They then have got together with what could be termed the "radical" group within the UNLF. The "radical" group probably the most influential is expected to be the movement and the NCC, include the NCC's chairman Mr. Edward Ruzamayor, the UNLF's principal spokesman, Mr. Joseph N. of Culture, Mr. Yashu Nabudere, the Minister of Justice, Mr. Stephen Airo, and the UNLF Secretary, Mr. Omwony Dink.

This group does not want to see a return of a multi-party political system in Uganda. Instead it wants the UNLF to transform itself into a unitary party for the first time, which parties and individuals would be represented. "I believe the party system cannot work in Africa as parties tend to be based on tribal, religious or ethnic lines," says Professor Yash Tandon, a member of this radical group. "The UNLF was originally set up to fight against Amla, and now that fight has been won the main struggle to achieve the UNLF's goals is to ensure that there are no more Amlas, which are unity, democracy, national independence and

Mr Paul Seemogerere, a veteran Ugandan politician and prominent conservative member of the NCC warns: "If the UNLF is developed into a single political party under these people they will be able to impose a minority view on the people of Uganda."

President Binaisa still talks of returning Uganda to a multi-party democracy, but he will ultimately have to do what the NCC decides. He was

compromise candidate as such, as in Professor Lule and his colleagues' view of the power base of his own. His performance since he took over the presidency, however, noticeably the expansion of the NCC to include people representing a wide cross-section of the country, has won him respect. Even the Baganda, who resented his past associations with Dr. Obote, have started to warm to him, although he still finds it necessary to travel everywhere in a heavily armed convoy.

President Binaisa, a young stocky man who likes making jokes and elaborate references to events in European history, could well find himself in a similar predicament to confine in the presidency after the next election. Another leading contestant is likely to be the Defence Minister, Mr. Yoweri Museveni, who is emerging as a more powerful man in the country. A fine-looking, intelligent man, he might again

time operating with the Mozambique liberation movement, Frelimo, during their war against the Portuguese. Although he was regarded as "radical," he has displayed a more pragmatic approach since taking office. He takes over running the country when Binaisa is away and has been given much of the credit for curbing the wave of political killings which swept through Kampala and other centres during August.

The security situation, however, remains a major problem. Although the political killings appear to have stopped for the time being, the human rights record remains alarmingly high. Eight years of misrule under Amin has not only left a legacy of terror, but also a mass of unaccommodated youths as well. The Tutsians are the only force capable of maintaining law and order but they are despised and unpopular with the local population. Uganda's decimated police force is down to a mere 10,000 men compared with 15,000 when Amin was in power. When Amin is just as weak. Some of Amin's soldiers fled to the Sudan and are now in prison. The new army which is being built up is already showing signs of divided loyalty.

But probably the biggest problem of all—and one which could retard the country's return to normalcy—is the



Mr. Jack Seantongo, the Finance Minister, told a meeting of old-farmers in Paris earlier this month that it would cost some £500m to bring Uganda's economy to rights, most of which would have to be provided through foreign aid. The West has been slow to respond to the request for assistance, especially Britain which has far contributed a mere £2m. However there are signs that substantial sums may soon be

Uganda's first President, Dr Milton Obote : his shadow over Uganda rather than Idi Amin's.

World Bank and other organizations. "Uganda", said one western diplomat in Kampala, "is not a permanent cripple but a wounded giant. If the economy can be repaired the country would become a major economic force in East Africa." The country's enormous economic potential is already beginning to attract back businessmen who used to operate there before Amin took over, notably the Asian Madhvani and Mehta families, who had extensive agricultural and industrial interests in Uganda.

However, these repairs to the economy will take time—six years rather than six months, according to a local banker.

At the meantime the people, while not going hungry and faced with serious inflation and shortages of most essential items, if the Government fails to take positive action soon it could be faced with new political instability in such circumstances. The question of holding an election the first time since independence, might have to be reviewed. Only two weeks ago a senior government minister appealed to the masses not to create a situation in which it would be impossible to hold elections.

It is clear that Uganda's journey back to normality is going to be a slow and difficult one and one which will require all the help it can get.

Nick Anderson

Orchestral
dream
fades away

After a year of arousing both ire and uncertainty among London's orchestras, the plan for a new "million pound" orchestra has been quietly buried by the Arts Council. Senior officials accept that they must forget the scheme and consider alternative ways of improving orchestral life in the future.

London's orchestral players are generally recognized as overworked and underpaid, but they have never shown much enthusiasm about the various proposals for altering their system and lightening their burdens.

When the Arts Council came up with the idea of establishing an orchestra with £1m annual subsidy, offering 110 players high salaries and reasonable hours, it was suggested that such an orchestra would be set up to compete with the Berlin Philharmonic and the Chicago Symphony.

The existing orchestras felt insulted, believing that they were already capable of challenging the world's best. More important, the players looked askance at the idea of losing their freedom to seek well-paid freelance work.

Quite where the extra million pounds would have been found was not clear, but the advent of the Conservative Government and its cuts ensured the fate of the scheme.

In fact it was never really a question of a film orchestra:

the likely cost of such a body was estimated by orchestral managing directors at between £2m and £3m a year.

"If the scheme itself is dead, the reasons for its invention remain. Thus organisations such as the council and the London Orchestral Concerts Board must continue trying to patch up the present system, seeking to provide better conditions for the players and to improve playing standards while struggling to obtain more adventurous programming.

Gang of five helps out

As the first British theatre company to visit China, the Old Vic had anticipated difficulties in presenting *Hamlet* to audiences almost completely unfamiliar with western drama. In the event, the visit went very well, thanks particularly to the efforts of a group of Chinese actors and actresses that the company christened "the gang of five".

Robertson, who's back from Pekin, said that instead of the usual transposition of one person's role into the role of another, using a simultaneous translation for the audience, the three actors and two actresses played the different parts in *Hamlet*, exactly matching the English words and conveying a lot of the comedy and feeling of the play. "It was the best simultaneous translation I have ever heard," he said.

Nevertheless audience reaction at the end was unlike western practice, since the Chinese

And we're using darling
Geoffrey's tax cut to avoid
Mrs Thatcher's
hard winters.

The players are now in Melbourne on the last lap of their world tour.

Back at the Old Vic there will be a special Sunday show on November 25, with Prunella Scales making her debut as the outrageous wife of George IV in *The Trial of Queen Caroline*, a musical entertainment written

by Jane McCulloch and Donald Fraser.

For people wanting something a little more modern, on the same evening the Royal Court offers a benefit show, A Victorian Music Hall, with performers ranging from Dame Peggy Ashcroft to Max Wall.

There will be no picnics on the lawns at Glyndebourne when the opera house is specially prepared for a Southern Television recording of Beethoven's *Fidelio*. The ITV strike stopped the planned recording this summer, but it has proved possible to re-stage the cast, including Elisabeth Söderström, the conductor, Bernard Haitink, for a performance on January 13. Viewers may miss the shots of Glyndebourne's pastoral surroundings, but perhaps some snow will be more suitable for *Fidelio*.

**Tinker, tailor
soldier, choir**

Geoffrey, Burgoon's, ethereal Nunc Dimittis, which as a result of the BBC series *Tinker, Tailor, Soldier, Spy*, is rapidly becoming a popular record hit, will soon be joined by a companion piece from the composer.

He has written the "follow-up" in response to requests from choirmasters and organists who wrote in large numbers asking him for a Magnificat to go with the Nunc Dimittis, for use as part of the Rensselaer service. The Royal Choral Society offered a

commission and the Magnificat will be given its premiere by them at Christmas.

Burgon's work seems to be everywhere at present: he provided the music for the Monty Python film *The Life of Brian* and for the BBC television series *Testament of Youth*.

At the age of 39, his new prominence has put him in the rare position for a young composer: that of having to turn down offers of commissions. The reason is that he is about to embark on a somewhat delicate project, an opera based on the life of a nineteenth-century composer.

Meanwhile, a work of his has yet another medium. In ballet, he will receive its London premiere on November 27. His *Songs, Lamentations and Praises*, choreographed by Robert Cohan, will be performed by the London Contemporary Dance Theatre on the first night of their two-week season at the Sadler's Wells Theatre.

Timothy West's latest stage venture, portraying Sir Thomas Beaucham in *Make The Little Beggar's Hop*, may finally reach London soon. After opening in Salisbury, the transfer to the West End was halted when the Musicians' Union demanded a proper orchestra be used instead of tapes. Eddie Kulkundis, the *impresario*, has been negotiating with the union and he said a solution was now in sight. A London theatre is already lined up for *London*.

Filming the next war

The Third World War, the book by General Sir John Hackett and other military experts which has been an unexpected publishing success in both Britain and the United States, looks likely to be made into a film.

Universal Pictures took an option on the book but it appeared that the project could be stillborn because of the cost of staging a phoney war requires almost as many resources as making a real one.

However, Sir John said that an experimental base in the United States of America had been conducting trials with the latest American equipment matched against simulated Russian units and Universal had quickly stepped in to obtain film of the action. Even so, budgets of more than \$20m are being discussed.

Sir John is still a little surprised by the success of the book—he had to talk it into writing it by the publishers, Sidgwick and Jackson.

In January the National Theatre starts a Eugene O'Neill season in its Cottesloe studio: after a revival of *The Long Voyage Home*, there is a production of *Hughie*, with the American actor *Stracy Keach*, and then *The Iceman Cometh*, with *Robert Stephens*.

Martin Hackett

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BARGAINING WITH UNREASON

President Carter's position in the Iranian crisis is not at all an enviable one, and on the whole his reaction to it up to now has been commendable. He has to reconcile a very understandable demand from American public opinion for action with the knowledge that almost any action he takes is more likely to increase the danger to the hostages than to help them.

He is certainly right to refuse any concession to the demands of the Iranians who are holding the hostages. It is very doubtful whether he has the power under American law to hand over the Shah to his accusers, and in any case such an action is morally unthinkable. If the United States were to make any concessions to Iran in present circumstances, it would amount to an invitation to lawless governments or unscrupulous armed groups all over the world to seize American diplomats as hostages and hold them to ransom.

A moment's reflection should enable the Iranians to understand this. Mr. Abolmohsen Bani-Sadr, the member of the Revolutionary Council who has taken responsibility for foreign affairs, says that he will go to the United Nations to explain "the just demands of the Iranian people". He must surely know that the United Nations headquarters are in New York, in the United States; that he could go there only if the American authorities will let him; and that he could remain there in freedom and safety only if they respect his diplomatic immunity and afford him their protection. He would be totally dependent on the American Government having higher standards than the Iranian. Neither Iran nor any other state can carry on international relations of any sort unless diplomatic conventions are respected.

Yet equally Mr. Carter must be right to avoid, as far as he can and for as long as he can, the escalation of the dispute. A military action, however, would be morally justifiable if someone is being detained by

force it must be permissible to rescue him by force. But the chances of such an action succeeding must be very doubtful. Those guarding the hostages are well aware of the danger, and there can be little doubt of their willingness to massacre the hostages if they found themselves under attack.

Politically, a military action would be disastrous. It would rally the vast majority of Iranians to the regime's support and further reinforce the xenophobic character of Iran's revolution, thereby postponing the day when normal relations with Iran will again become possible, and probably increasing the damage which Iran will do to itself and to the rest of the world before it returns to stability. The great powers of today must if possible avoid the mistake that those of earlier times made in attempting to deal with the French and Russian revolutions by military intervention. That only plays into the hands of the extremists, since it appears to confirm their thesis that the revolution is surrounded by powerful enemies against whom, and against their real or supposed internal supporters, it must act with extreme severity.

The same would apply to any attempt by the United States to force the Iranians to give up the hostages, which is theoretically possible since Iran imports about a third of its food mainly from the United States. The blow would fall on the poorest Iranians, whom the regime would have little difficulty in persuading to see it as further evidence of the Satanic nature of American policy.

On the other hand Mr. Carter's decision to halt imports of Iranian oil was a shrewd one. It forestalled a move which the Iranians were very likely to make in any case, even if the Revolutionary Council had not already decided to do so. It is a move which, while symbolically asserting the American ability to do without Iran and so reassuring American public opinion, also serves to freeze Iran's official assets in the

United States was also a natural reaction to Mr. Bani-Sadr's announcement that Iran would transfer all its financial deposits to other countries, but perhaps a more dangerous one, since it can easily be presented as interfering with Iran's right to dispose of her own property. In strictly financial terms it was not necessary, since the central banks of the countries where the money was reinvested would certainly have been willing to hold enough dollars to avert any major disruption of the international monetary system.

What can be done positively to save the hostages? As the police forces of many countries have now learnt from experience, time is one's best ally in dealing with such situations. Admittedly the students in Tehran are not subject to the same physical and moral pressures as an isolated group of hijackers. But they are presumably developing some kind of relationship with their captives which will make it harder for them to carry out a cold-blooded massacre. And while they themselves may not be feeling any qualms about their situation, the disadvantages of it are clearly apparent to some members of the Revolutionary Council.

It was Mr. Bani-Sadr himself who told *Le Monde* last week that the students' operation had "shown up the multiplicity of motives" in the decision and the inability of the government to control even one of the main streets of the capital; it has reduced even further the prestige of the government both in Iran and abroad; it seems to show that violence pays, which may lead in future to armed clashes between the various power centres—all of which, he said, would "in the end damage the authority of Imam Khomeini himself".

Mr. Bani-Sadr is as well placed as anybody to explain this to the Imam, and is clearly looking for alternative outlets for the anti-American feeling that has swept the country. As long as the rest of us do nothing, Iranian success is still hope he may succeed.

the United Kingdom—an obvious example is those whose parents were abroad on public service—should be treated on the same basis as those who were born here. But their position is not clear and is not discussed in the White Paper.

These compromise proposals are objectionable on a number of grounds. There are reasons of principle for disapproving of discrimination between women who are citizens of the United Kingdom, according to where they were born—because what is at issue is the right of women in this country to live here with a husband from overseas if they wish to do so. The uncertainty that is inherent in these proposals is distasteful and may well cause injustice. Even these modified changes would in all probability infringe the European Convention on Human Rights. And all this upper would be created for the sake of keeping out only a relatively small and declining number of people.

Last year 3,264 men from the Indian sub-continent were allowed to settle in Britain on grounds of marriage. Some of them—perhaps even as many as half—will have been married to women who were born here even if their parents came from the sub-continent. The new rules would not keep out these men. Each year a large proportion of young women in the Asian community in Britain will have been born in this country. So the Government is proposing a change in the rules that will cause considerable upset for progressively less effect. It is simply not worth it.

THE OBSTACLES TO HELPING KAMPUCHEA

The complexities of the military and political conflict in Kampuchea must no longer be allowed to stand in the way of the urgent need to save life. There can be no accurate calculation of what the loss from starvation now is. If refugees crossing into Thailand this week report that hundreds had died in two days in the area they had left, then no allowance for exaggeration can lessen the horrifying suffering that must face the whole country. Such desperate distress must be relieved as quickly as possible from whatever source. For some weeks past there have been delays in getting aid through to Kampuchea. Either the aid had to be delivered to the government in Phnom Penh, with no guarantee that it would reach parts of the country not effectively controlled by that government, or unscrupulous bureaucratic barriers were put in the way. Perhaps the US\$9,000 pilotage fee that Orfem is being asked to pay for a barge loaded with 1,500 tonnes of supplies sent from Singapore to Vungtau, the port at the northern end of the Mekong delta below Saigon, is nothing abnormal.

But common sense as well as the appalling need must mean that the difficulties arising from the political struggle between the Vietnamese-backed government of Heng Samrin in Phnom Penh and the Chinese-backed Pol Pot guerrillas must be removed by

recognition of the Phnom Penh government. The issue between the two governments was a live one at the non-aligned conference in Cuba two months ago. It persists over the Kampuchean year at the United Nations. British charities may find their task harder because of the particular animosity to Britain often paraded by the Vietnamese government.

The objections that have been raised against the Heng Samrin government are that it was put into power by a Vietnamese invasion and sustained ever since by Vietnamese troops now estimated at 200,000. Britain and other countries that deplored this invasion have made no moves to recognize a patently puppet government. This has not hitherto been a reason to withhold recognition, even if the appalling plight of a starving people were not thought sufficient cause to override hesitation. The traditional view has always been that a government that controls the country should be recognized whatever opinion is held of its origins or circumstances.

Arguably, the Heng Samrin regime might be faulted for lack of such control. Pol Pot guerrillas have certainly been holding out and much more of the country, according to scanty reports, is not effectively administered by the Phnom Penh government. With the advent of the dry

season in recent weeks, however, Pol Pot troops have been driven out of the populated territory they held and have now taken refuge in the mountains of south-western Kampuchea. Many of these guerrillas have been causing trouble moving across the border into Thailand and later rejoining the Pol Pot headquarters, much as the Vietnamese communists were at one time doing in Kampuchea. Nevertheless it is the Vietnamese troops who must control such communications as exist in Kampuchea and if succour is to reach the starving the only hope is some political accommodation that will engage their support. Any delay in recognizing the Heng Samrin government must mean more deaths—deaths by the hundred every day.

At the moment aid by air from Bangkok under United Nations auspices is one saving source. Mrs. Rosalynn Carter's return to Washington after inspecting refugee camps in Thailand has urged American aid through United Nations channels. There is still room for aid through British charities, especially barges from Singapore that can carry so much more than the airlift. Those working on the spot must be the best judges of the effectiveness of their aid. At all events the political concession is needed and urgently so if the flow of aid is to be speeded up.

The language of common prayer

From The Bishop of Chester

Sir, Much controversy has arisen by the submission of a Petition to the General Synod of the Church of England by a large number of persons in the fields of art, literature, law, medicine, politics, etc., begging that ecclesiastical bodies to protect and, as far as possible, encourage the use of the Prayer Book of 1662 and the Authorized Version of the Bible. The Petition did not ask for exclusive rights and expressly recognised and welcomed innovations and experiments in liturgical matters.

The advocates of modernity, ie. some 80 per cent of Bishops, Synodmen and Clergy, would do well to remember that the vehement defence of their own position is built on two main foundations. First, under the aegis of the Prayer Book of 1662, they would have little to amend or attack and less to build on. Secondly, by that sleight of hand which produces so much apparent conformity in the Established Church, it is argued, quite sophistically, that the inheritance of millions should be alienated by the few.

He would, indeed, be an incoherent man who failed to recognise the overwhelming influence of the Church leaders, clerical and lay, in these matters and who failed to see that whatever the percentage of modern liturgy, and however useful, sheer integrity was not present at the conception and upbringing.

In most places of theological instruction in our Church, the Prayer Book does not figure in the curriculum as a specific piece of systematic instruction, nor is it much more than an antiquarian demonstration in College worship. In most parishes of the land, the value of the introducing of new liturgies was not conducted with the parochial consultation which departs from an historical norm of three hundred years would warrant.

As Patron of the Prayer Book Society, I am obviously a personal supporter of the Prayer Book, but once have I criticised the new forms of worship and have used them willingly for eight years when my duties required them. We seek for peace not war and that peace will best be obtained by all Church folk recognising the value of their inheritance and providing, in such manner as is locally appropriate, for its continued remembrance. All apparent gifts are not necessarily of God—and my little Latin warns me—*Quædam dantur et dona feruntur*.

I am, Sir, Your obedient servant,

VICTOR GESTR

Bishop's House, Chester, November 12.

Blackening a musician

From Mr John Letts

Sir, On Friday of last week (November 9), a concert at St. John's Smith Square, in which the company sponsored, was substantially distorted by the Musicians' Union, without consulting or even informing us, in pursuance of what some may feel looks suspiciously like a vindictive (and selective) campaign against a highly respected musician and conductor.

The centrepiece of our concert was to have been a performance by The Academy of Ancient Music of an arrangement for chamber orchestra of Haydn's Surprise Symphony made by my concert promoter, Sir John Wood. The time Haydn was actually in London, and never performed in public, we think, before it was recently rediscovered by Christopher Hogwood. It is included in a recording which The Folio Society is issuing in March. We had long since announced a concert featuring this discovery (and sold many tickets) when the union declared less than three weeks ahead of the performance that all their members would be withdrawing if Christopher Hogwood continued to play the important forte piano part as well as conducting.

We asked the secretary of the Musicians' Union to postpone the meeting (the earliest they would give) at which the whole question was to be discussed. He declined. The only terms on which he would allow our concert to proceed as planned were that Mr Hogwood should agree to be pre-announced under duress into joining the union.

Leaving aside the point that this distinguished performer may have his own reservations in principle about this (he might feel that he wouldn't care to belong to a union which contained as its members those who would be likely to think it quite objectionable that this union can ignore so arrogantly the interests both of sponsor and audience. Their philosophy appears to be that he who pays the piper must dance to their tune—as well as footing the bill).

The reaction of this particular sponsor to that kind of ultimatum will be to refuse to back the bills in future. I can't believe this outcome from the union side will be of much benefit either to music or musicians.

Yours sincerely, JOHN LETTS, Editorial Director, The Folio Society Ltd, 202 Great Suffolk Street, SE1.

Shackleton and Nansen

From Mr Roland Huntford

Sir, I have been commissioned to write a biography of Sir Ernest Shackleton, the polar explorer, and also one of Fridtjof Nansen, the Norwegian explorer and international statesman. I should be most grateful to hear from readers who wish to help with information of any kind, especially those who may have met either.

In particular, I am interested in hearing from anybody who was in the audience when Nansen spoke at his installation as Rector of St Andrews University on November 3, 1926. Yours faithfully, ROLAND HUNTFOURD, The Royal Geographical Society, 1 Kensington Gore, SW7, October 25.

LETTERS TO THE EDITOR

Return of 'The Times'

From Mr Michael Foot, MP for Ebbw Vale (Labour)

Sir, Some of your readers may feel it is a pity you could not celebrate your return to publication in a better temper; indeed, the tone of your article today perhaps indicates one source of industrial trouble on *The Times*. However, that is your affair. You are entitled to abuse anyone in range, including your fellow editors in Fleet Street; but you should not be entitled, without protest, to abuse the English language.

My protest is prompted by an allegation you make against myself. A principal cause of your difficulties, you say, has derived from the fact that "Mr Michael Foot rigged British industrial law so that the balance which ought to exist between the employer and the trade unions has been totally destroyed". The word "rigged" in this sense means, according to the Oxford English Dictionary, "fraudulently contrived". Did you mean to say that? If so, it is a lie. If, however, you feel that you have merely been guilty of a shipshod use of language, an apology would also be in order.

The changes in industrial law for which I was responsible were not in any sense whatever "rigged"; they were carried openly through Parliament. And the main purpose of the changes was to remove from the Statute Book the 1971 Industrial Relations Act which was proving utterly unworkable, not least in the newspaper industry. Under the provisions of that Act, which presumably had set the balance between employer and unions in the way you may have wished, the whole of Fleet Street was shut down, and all the management of Fleet Street, including the management of *The Times*, asked for an immediate meeting with me at the Department of Employment in order that the Labour Government should help them to escape from the catastrophe, for Fleet Street among others, which that Act was producing.

If a repetition of such follies is to be avoided, it would be better to recall this history accurately rather than to lash out with wild charges of "rigging". Yours faithfully, MICHAEL FOOT, House of Commons, November 13.

The verb to rig is given six different meanings in the Oxford Dictionary, and these have 24 different definitions. Mr Foot has for some reason chosen the most offensive. The sense in which it was applied to his Act was that in which it is said that a match is "rigged" and that it is manipulated for advantage. The first quotation is from 1875: "About ten years ago it became the practice to rig the market as regards the shares of particular joint-stock banking companies." This practice was fraudulent; indeed manipulation of gilt-edged prices to promote the sale of stock is the basis of British Government finance.

From Lord Young of Dartington
Sir, I am sure very few people (in or out of the Labour Party) would disagree with the two main arguments in your opening leader of November 13:

1. Britain desperately needs raised productivity, and
2. As things are, the unions are stopping us getting it.
But you are, just as you accept Mrs Thatcher, also, more motivated than motivating in your here we die stand. There is no hint in any appeal to those who support

Behavioural ills in society

From Professor Ivor Mills

Sir, Congratulations to your reappearance. At last we have once again one of the leading organs for the chronicling and rapportage of the evolution of society.

Perhaps few people realise how widespread throughout the world is the dissemination of information recorded in these columns. Within my personal experience it has been taken up by provincial and other national newspapers, by magazines, local and national radio and television programmes, not only in this country but in Germany, Switzerland, Canada, the United States and Australia.

A year has gone by without discussion in these columns of important aspects of the social and political life of the country. Two facts have impressed themselves more and more on some of us who have people's welfare at heart. One is the spreading ramifications of the effects of decreasing respect for the family unit. The other is the devastating effect of ever-increasing numbers of people with compulsive behaviour.

In the first case, the divorce statistics spell out the rising incidence of broken families. Society too readily accepts that boredom with one partner justifies establishing a liaison with another. Along the way are the rejected spouses and the helpless children torn asunder as they strive to clutch on to two parents now perhaps miles apart. Both parents and children may present themselves in a variety of ways to medical and social workers but all too often they swell the ever-

growing numbers of people who are looking for financial help to survive in the shifting sands of modern society, should we not be looking around and asking whether the price of our now not so affluent society is not becoming too high in terms of the suffering of those battling in a still too competitive world?

Yours faithfully, IVOR H. MILLS, Professor of Medicine, University of Cambridge Clinical School, Department of Medicine, Addenbrooke's Hospital, Hills Road, Cambridge, November 8.

Royal distinction

From Mr Victor Day

Sir, The granting of the prefix "Royal" by Her Majesty the Queen is dependent upon application being made by any society seeking the prefix as an honour to their activities.

In this Year of the Child, would it not be appropriate to ask Her Majesty to recognize the work of the children's societies by granting such a prefix to them all? Agriculture, farming, horticulture, stamp collecting, military

and even animal societies—the latter surely less worthy of the title than any society for saving and protecting children—all carry the title "Royal", so will not the boards of all children's welfare bodies ask for this favour to mark this very special International Year of the Child?

Yours faithfully, VICTOR W. G. DAY, "Widmarsh", 9 Karen Close, West Town, Backwell, Bristol, October 31.

1 Employers should follow the Japanese model and wherever it is feasible guarantee employment to their employees in return for acceptance of new technology, even if it involves early retirement and restrictions on recruitment.

2 The fullest scope should be given to cooperative management and ownership.

The conflict between the two sides in industry will remain until there is only one side, with employees also being owners of the business. Yours faithfully, YOUNG OF DARTINGTON, Chairman, Mutual Aid Centre, 18 Victoria Park Square, E2, November 13.

From Sir John Colville
Sir, The return of *The Times* and *The Sunday Times* must be due in very large part to the patience and generosity of Lord Thomson of Fleet.

I feel that at least one of your readers should presume to speak on behalf of a great many others in expressing gratitude for his forbearance.

Your obedient servant, JOHN COLVILLE, 45 Beach Street, EC2, November 13.

From Mr R. A. Brady
Sir, Having helped to bring about the resumption of *The Times* after 31 months, I was most surprised to read your article: "The terrible price we have paid".

It seems apparent to me that you have not learned a thing in the last 11 months. You say that you "believe it can only lead to better rather than worse relations with our staff, on whose quality every thing depends".

May I give you a thought for today: "Lord, help my words to be tender and gracious today, for tomorrow I may have to eat them." Yours sincerely, REG BRADY, 15 Clarence Gardens, Regents Park, NW1, November 13.

From Mr Alexander Murray
Sir, From December 1, 2003, to November 13, 2004, what an earth will *The Times* "25 Years Ago" column look like?

Yours sincerely, ALEXANDER T. MURRAY, University College, Oxford, November 7.

In 1985 we plan to start the feature "200 Years Ago". The difficulty will therefore arise in 2178.

From Mrs Iris Schoenewald
Sir, Today, for the first time since November 30, my husband smiled at breakfast. Undoubtedly a sign of the *Times*.

Yours faithfully, IRIS SCHOENEWALD, 185 Wadham Gardens, Greenford, Middlesex.

From Mr Alan G. Challis
Sir, While your paper has been sadly in limbo, I have been writing about the South Circular Road, Movement for London, describing it as "the worst main road in Britain". There have been cosmetic proposals for improvement, some 21 in number, but none could make life more difficult for local people trying to shop and could result in traffic jams moving a few hundred yards down the road after the disruption of long duration roadworks.

The long-term answer is to plan a new road and then to build it section by section as funds permit.

The section from Gipsy Lane, SW15, to Chiswick roundabout could utilize the site of the old goods yard and sidings at Barnet, where a tunnel could be started. It would cross under the Richmond line and the river before rising to join the A316 on a bridge roundabout over the New line. It could then continue on stilts over the railway before swinging away to join the A4 in plenty of time to give access to the M4 by means of the existing flyover or to rejoin the South Circular by the slip roads to Chiswick roundabout.

The section from Gipsy Lane to the Wandsworth Bridge roundabout could be over the railway the whole way and similarly on as far as Vauxhall Bridge roundabout. The main artery could swing to the east a little earlier, probably on stilts, to join Sir Horace Cutler's proposed Chiswick roundabout between Bricklayers Arms and its first river tunnel.

The South Circular is shown on national and international maps as a major road. It is also an essential highway for businessmen, their goods and their supplies. The southern half of their huge city. A fast uncluttered road away from pedestrians and shoppers would improve the life of millions and help the economic wellbeing of London and the nation.

Yours faithfully, ALAN G. CHALLIS, The Cedars, Barnes Common, SW13, November 6.

From Mr Hume Bugis-Rolfe
Sir, This morning, for the second time in a week, I had delicious mushrooms for breakfast, picked by my wife in St James's Park. I have also eaten figs, medlars and mulberries picked. That's not to be surprised that one should be able surreptitiously to enjoy his green-groceries as well as the park itself? I am Sir, H. BOGGIS-ROLFE, 22 Victoria Square, SW1, November 8.

Fête champignon

From Mr Hume Bugis-Rolfe

Sir, This morning, for the second time in a week, I had delicious mushrooms for breakfast, picked by my wife in St James's Park. I have also eaten figs, medlars and mulberries picked. That's not to be surprised that one should be able surreptitiously to enjoy his green-groceries as well as the park itself? I am Sir, H. BOGGIS-ROLFE, 22 Victoria Square, SW1, November 8.



COURT CIRCULAR

BUCKINGHAM PALACE
On November 14: The President of the Republic of Indonesia, Mr. Soeharto, arrived in London for a visit. He was accompanied by his wife, Mrs. Tien Soeharto, and a large entourage. The President was met at the airport by the Duke of Edinburgh, the Queen Mother, and other senior members of the royal family. He was then taken to Buckingham Palace, where he was received by the Queen and the Prince of Wales. The President's visit is part of a series of state visits to the United Kingdom.

CLARENCE HOUSE
On November 14: Queen Elizabeth The Queen Mother, who is recovering from a recent operation, was visited by the Duke of Edinburgh. The Duke spent some time with the Queen Mother and then left for his residence at Sandringham.

ST JAMES'S PALACE
On November 14: The Duke of Kent, who is recovering from a recent operation, was visited by the Duke of Edinburgh. The Duke spent some time with the Duke of Kent and then left for his residence at Sandringham.

YORK HOUSE
On November 14: The Duke of Kent, who is recovering from a recent operation, was visited by the Duke of Edinburgh. The Duke spent some time with the Duke of Kent and then left for his residence at Sandringham.

Fortcoming marriages
Mr. N. F. St Aubyn and Miss J. M. Brooks. The engagement is announced between Mr. N. F. St Aubyn, son of the Hon. Piers and Mrs. St Aubyn, of Barcombe, Sussex, and Miss J. M. Brooks, daughter of Mr. and Mrs. William F. Brooks, of Malva Vale, London.

Mr. R. Cooke and Miss A. M. Stamp. The engagement is announced between Mr. R. Cooke, son of Mr. and Mrs. R. Cooke, of Canon, and Miss A. M. Stamp, daughter of Mr. and Mrs. A. M. Stamp, of Canon, Cornwall, and Miss Mary, daughter of the Hon. Maxwell and Mrs. Stamp, of Mulberry Green Farmhouse, Coptford, Essex.

Dr. J. R. Buckley and Miss P. E. Pollard. The engagement is announced between Dr. J. R. Buckley, son of Dr. J. R. Buckley, of Southfields, Bramcote, Nottinghamshire, and Miss P. E. Pollard, daughter of Dr. J. R. Buckley, of Southfields, Bramcote, Nottinghamshire, and Miss P. E. Pollard, daughter of Dr. J. R. Buckley, of Southfields, Bramcote, Nottinghamshire.

Mr. C. G. Draper and Miss M. McGlinchay. The engagement is announced between Mr. C. G. Draper, son of Mr. C. G. Draper, of Upton, Hampshire, and Miss M. McGlinchay, daughter of Mr. C. G. Draper, of Upton, Hampshire, and Miss M. McGlinchay, daughter of Mr. C. G. Draper, of Upton, Hampshire.

Mr. A. C. G. Eddy and Miss S. C. Cochran. The engagement is announced between Mr. A. C. G. Eddy, son of Mr. A. C. G. Eddy, of Upton, Hampshire, and Miss S. C. Cochran, daughter of Mr. A. C. G. Eddy, of Upton, Hampshire, and Miss S. C. Cochran, daughter of Mr. A. C. G. Eddy, of Upton, Hampshire.

Prize for fiction This year's David Higham Prize for Fiction has been awarded to John Harvey (above) for his first novel, *The Plate Shop* (published by Collins). The prize, now in its fifth year and worth £500, is given for a first novel or collection of short stories. This year's judges were the critic and writer, Walter Allen, and the novelist, Elizabeth Berridge and A. S. Byatt.

A sex book for adolescents has won *The Times Educational Supplement* senior Information Book Award for 1979. *Make It Happy*, by Jane Cousins (published by Virago at £2.95) caused controversy when it was first published a year ago because of its explicit discussion of contraception, pregnancy, homosexuality, venereal disease and rape. The T.E.S. judges, Valerie Alderson, Edward Blishen and Charles Stuart-Jervis, described it as "witty upon occasions wholesome, classless, sometimes moving in its simplicity, gentle and honest in its intentions".



John Harvey, author of *The Plate Shop*

Luncheons
The Prime Minister and Mr. Denis Thatcher were at a luncheon held yesterday at 10 Downing Street in honour of the President of the Republic of Indonesia, Mr. Soeharto. Other guests included: Mrs. Soeharto, Mr. and Mrs. J. R. Buckley, Mr. and Mrs. C. G. Draper, Mr. and Mrs. A. C. G. Eddy, Mr. and Mrs. R. Cooke, Mr. and Mrs. N. F. St Aubyn, Mr. and Mrs. W. F. Brooks, Mr. and Mrs. A. M. Stamp, Mr. and Mrs. P. E. Pollard, Mr. and Mrs. M. McGlinchay, Mr. and Mrs. S. C. Cochran.

Dinners
The Duke of Kent was present at a dinner given yesterday in Guildhall by the Corporation of London on the occasion of the visit to London of the President of the Republic of Indonesia, Mr. Soeharto. The Lord Mayor, accompanied by the Lady Mayoress and the sheriffs and their ladies, presented an address of welcome. Among those present were: The Ambassador of the Netherlands, Mr. and Mrs. J. R. Buckley, Mr. and Mrs. C. G. Draper, Mr. and Mrs. A. C. G. Eddy, Mr. and Mrs. R. Cooke, Mr. and Mrs. N. F. St Aubyn, Mr. and Mrs. W. F. Brooks, Mr. and Mrs. A. M. Stamp, Mr. and Mrs. P. E. Pollard, Mr. and Mrs. M. McGlinchay, Mr. and Mrs. S. C. Cochran.

OBITUARY

M. JACQUES DE BEAUMARCHAIS

Distinguished French diplomat

M. Jacques Delors, Baron de Beaumarchais, a distinguished diplomat and a great friend of Britain, was Ambassador to London from 1972 until his retirement in 1977. He died in Paris on November 11. He was 67.

A descendant of the author of *The Barber of Seville*, with whom he had in common a natural elegance and wit, he was also the son of an ambassador who had represented France in Vienna and Rome. He seemed naturally destined to diplomacy. A graduate in law and of the Ecole des Sciences Politiques, he began his career as a young attaché with the French Ambassade Commission in 1942, during the German occupation. He was then in the Free French and he escaped from France to Algiers in 1943, where he took charge of a department in the office of the Commissioner for the Foreign Affairs of the provisional French government.

It was then that he came into contact with Mr. Couve de Murville, then secretary of the command in chief and a member of the National Resistance Council, who took him to Paris, where he began his career as a young attaché with the French Ambassade Commission in 1942, during the German occupation. He was then in the Free French and he escaped from France to Algiers in 1943, where he took charge of a department in the office of the Commissioner for the Foreign Affairs of the provisional French government.

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DR WILFRED BION

Dr. Wilfred Bion, who died on November 14 at the age of 83, was one of the most original and influential psychoanalysts of his time. He was born in India in 1897 and educated in India. He came to England in 1937 and worked at the Tavistock Clinic, London, of which he was Chairman in 1945-1948. His work on the psychodynamics of groups and institutions was one of the most important contributions to psychoanalysis in the 20th century.

He was a man of wide interests and a broad and profound education. He was a powerful and colourful personality who affected deeply all those who came into contact with him. He is survived by his wife and three children.

MR SYDNEY TAFLER

Mr. Sydney Tafler, a prolific actor in radio, television and stage, died on November 14 at the age of 70. He was a powerful and colourful personality who affected deeply all those who came into contact with him. He is survived by his wife and three children.

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MIRAL CAPP

Mr. Al Capp, the American cartoonist who created *"Li'l Abner"*, died on November 5 at the age of 70. He was a powerful and colourful personality who affected deeply all those who came into contact with him. He is survived by his wife and three children.

He was a man of wide interests and a broad and profound education. He was a powerful and colourful personality who affected deeply all those who came into contact with him. He is survived by his wife and three children.

Elgar appeal

People wishing to contribute to the appeal for the statue of Sir Edward Elgar in Worcester, his birthplace, should send their donations to Mr. David Hawkins, the appeal's secretary, c/o Barclays Bank, 54 High Street, Worcester.

Latest appointments

Mr. Michael Pickering, director of administration at the Road Transport Industry Training Board, to be chairman of the Worcester Advanced Motorists, in succession to Major-General E. H. G. Lonsdale.

Mr. Norman Bickham, Labour MP for Rye, to be chairman of the Worcester Folk Festival Society.

Mr. Raymond Swingle, aged 46, a journalist and former member of the Press Council, to be administrative secretary of the council.

Mr. Beverly Smith to be head of radio programming for the Independent Broadcasting Authority.

Legal

Mr. Christopher Smith to be standing prosecuting counsel to the Inland Revenue and Mr. Malcolm Lee to be standing prosecuting counsel to the Department of Health and Social Security, both on the Midland and Oxford Circuit.

Mr. James Clyde, QC, to be a judge of the Court of Appeal, Jersey and the Court of Appeal, Guernsey.

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Sickert painting makes record price of £23,500

By Geraldine Norman
Sale Room Correspondent

A Sickert oil painting of a woman in a red dress, known as 'The Girl in the Red Dress', has sold for a record price of £23,500 at Sotheby's yesterday. The painting, which was painted in 1905, is one of Sickert's most famous works. It depicts a young woman in a red dress standing in a room. The painting is now part of the collection of the National Gallery, London.

£5,000 Premium Bond prizewinners

The £5,000 winners in the October premium bonds draw are:

1 AB 221695	2 AB 221695	3 AB 221695	4 AB 221695
5 AB 221695	6 AB 221695	7 AB 221695	8 AB 221695
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Today's engagements

The President of the Republic of Indonesia, Mr. Soeharto, will be in London for a visit. He will be accompanied by his wife, Mrs. Soeharto, and a large entourage. The President will be met at the airport by the Duke of Edinburgh, the Queen Mother, and other senior members of the royal family. He will then be taken to Buckingham Palace, where he will be received by the Queen and the Prince of Wales. The President's visit is part of a series of state visits to the United Kingdom.

Tree to commemorate National Tree Week, Windsor Castle, 3.30

The Duke of Gloucester opens the National Tree Week exhibition at Windsor Castle. The exhibition is a celebration of the importance of trees in our lives. It features a large tree sculpture and a display of information about the different types of trees that grow in the United Kingdom. The exhibition is open to the public from 10.30 to 4.30 p.m.

Memorial services for the Earl of Rothes, Guards Chapel, Wellington Barracks, noon

Memorial services for the Earl of Rothes, who died on November 10, will be held at the Guards Chapel, Wellington Barracks, at noon. The Earl was a member of the House of Lords and a member of the House of Commons. He was a distinguished soldier and a statesman. He is survived by his wife and three children.

Requiem Mass: Mr. R. A. G. O'Brien, Westminster Cathedral, 12.30 p.m.

A Requiem Mass for Mr. R. A. G. O'Brien, who died on November 10, will be held at Westminster Cathedral at 12.30 p.m. Mr. O'Brien was a member of the House of Lords and a member of the House of Commons. He was a distinguished soldier and a statesman. He is survived by his wife and three children.

Mr. T. A. Watson and Miss V. A. Featherstone-Witty

The engagement is announced between Mr. T. A. Watson, son of Mr. T. A. Watson, of Upton, Hampshire, and Miss V. A. Featherstone-Witty, daughter of Mr. T. A. Watson, of Upton, Hampshire, and Miss V. A. Featherstone-Witty, daughter of Mr. T. A. Watson, of Upton, Hampshire.

Mr. O. J. Wintzinger and Miss R. A. Curtis

The engagement is announced between Mr. O. J. Wintzinger, son of Mr. O. J. Wintzinger, of Upton, Hampshire, and Miss R. A. Curtis, daughter of Mr. O. J. Wintzinger, of Upton, Hampshire, and Miss R. A. Curtis, daughter of Mr. O. J. Wintzinger, of Upton, Hampshire.

Mr. E. V. Field and Miss A. M. Stamp

The engagement is announced between Mr. E. V. Field, son of Mr. E. V. Field, of Upton, Hampshire, and Miss A. M. Stamp, daughter of Mr. E. V. Field, of Upton, Hampshire, and Miss A. M. Stamp, daughter of Mr. E. V. Field, of Upton, Hampshire.

Mr. R. T. Palmer and Miss C. Kinkaid-Weekes

The engagement is announced between Mr. R. T. Palmer, son of Mr. R. T. Palmer, of Upton, Hampshire, and Miss C. Kinkaid-Weekes, daughter of Mr. R. T. Palmer, of Upton, Hampshire, and Miss C. Kinkaid-Weekes, daughter of Mr. R. T. Palmer, of Upton, Hampshire.

Mr. N. F. St Aubyn and Miss J. M. Brooks

The engagement is announced between Mr. N. F. St Aubyn, son of the Hon. Piers and Mrs. St Aubyn, of Barcombe, Sussex, and Miss J. M. Brooks, daughter of Mr. and Mrs. William F. Brooks, of Malva Vale, London.

Mr. R. Cooke and Miss A. M. Stamp

The engagement is announced between Mr. R. Cooke, son of Mr. and Mrs. R. Cooke, of Canon, and Miss A. M. Stamp, daughter of Mr. and Mrs. A. M. Stamp, of Canon, Cornwall, and Miss Mary, daughter of the Hon. Maxwell and Mrs. Stamp, of Mulberry Green Farmhouse, Coptford, Essex.

Dr. J. R. Buckley and Miss P. E. Pollard

The engagement is announced between Dr. J. R. Buckley, son of Dr. J. R. Buckley, of Southfields, Bramcote, Nottinghamshire, and Miss P. E. Pollard, daughter of Dr. J. R. Buckley, of Southfields, Bramcote, Nottinghamshire, and Miss P. E. Pollard, daughter of Dr. J. R. Buckley, of Southfields, Bramcote, Nottinghamshire.

Mr. C. G. Draper and Miss M. McGlinchay

The engagement is announced between Mr. C. G. Draper, son of Mr. C. G. Draper, of Upton, Hampshire, and Miss M. McGlinchay, daughter of Mr. C. G. Draper, of Upton, Hampshire, and Miss M. McGlinchay, daughter of Mr. C. G. Draper, of Upton, Hampshire.

Mr. A. C. G. Eddy and Miss S. C. Cochran

The engagement is announced between Mr. A. C. G. Eddy, son of Mr. A. C. G. Eddy, of Upton, Hampshire, and Miss S. C. Cochran, daughter of Mr. A. C. G. Eddy, of Upton, Hampshire, and Miss S. C. Cochran, daughter of Mr. A. C. G. Eddy, of Upton, Hampshire.

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Law Report November 14 1979

Guidelines on discovery in discrimination cases

Science Research Council v Nasse
Leyland Cars (St. Cars Ltd) v Vyas

Before Lord Wilberforce, Lord Edmund-Davies, Lord Fraser of Tullybelton and Lord Scarman
(Speeches delivered November 1)

Guidelines were laid down by the House of Lords for industrial tribunals and county courts to follow in order to ensure that the discovery of documents by individuals wanting to sue companies for discrimination on the grounds of race, sex, or religion, was not hindered by the provisions of the Access to Information Act 1977.

The House dismissed an appeal by Mrs Nasse, a clerical officer employed by the Science Research Council, against the decision of the Employment Appeal Tribunal (EAT) that she was entitled to discover documents held by the Council.

The EAT had ordered the Council to disclose documents which Mrs Nasse claimed were relevant to her case. The Council had argued that the documents were confidential and that their disclosure would be prejudicial to the Council's interests.

The House of Lords, in a unanimous decision, held that the EAT was correct. Lord Wilberforce said that the Access to Information Act 1977 did not apply to documents held by public bodies in the course of their administrative functions.

Lord Edmund-Davies said that the documents in question were not confidential and that their disclosure would not be prejudicial to the Council's interests.

Lord Fraser of Tullybelton said that the documents were relevant to Mrs Nasse's case and that their disclosure was necessary for the fair trial of her case.

Lord Scarman said that the documents were not confidential and that their disclosure would not be prejudicial to the Council's interests.

The House of Lords also considered the appeal by Leyland Cars (St. Cars Ltd) v Vyas. The EAT had ordered the company to disclose documents which Vyas claimed were relevant to her case.

The company had argued that the documents were confidential and that their disclosure would be prejudicial to the company's interests.

The House of Lords, in a unanimous decision, held that the EAT was correct. Lord Wilberforce said that the documents in question were not confidential and that their disclosure would not be prejudicial to the company's interests.

Lord Edmund-Davies said that the documents were relevant to Vyas's case and that their disclosure was necessary for the fair trial of her case.

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Lord Scarman said that the documents were relevant to Vyas's case and that their disclosure was necessary for the fair trial of her case.

obliged to follow the decision in the Nasse application, and ordered discovery, though with some reservations.

Before the Court of Appeal an affidavit by Leyland's staff director stated that disclosure of such documents would hinder freedom and candour in preparing reports on employees and inhibit employees themselves when applying for jobs or promotion.

Lord Wilberforce said that such disclosure would constitute a breach of faith which could lead to industrial unrest. It was argued that public interest privilege should attach to all such confidential records kept by industrial concerns.

The Court of Appeal, however, dismissed the appeal. Lord Wilberforce said that the documents in question were not confidential and that their disclosure would not be prejudicial to the company's interests.

Lord Edmund-Davies said that the documents were relevant to Vyas's case and that their disclosure was necessary for the fair trial of her case.

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ing them. Parliament had shown that its policy was that they should have access to the court all material that might be relevant to a discrimination claim.

On the question of discovery (the right to inspect documents) the House of Lords, in a unanimous decision, held that the EAT was correct.

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third parties (including employees on whom confidential reports had been made) as well as persons reporting) might be affected by disclosure, the interests which both employees and employers might have in preserving the confidentiality of personal reports, and to any wider interest in preserving the confidentiality of systems of personal assessments.

(3) Relevance alone, though a necessary ingredient, did not, as had been submitted for Mrs Nasse, provide an automatic sufficient test for ordering discovery in a particular case.

(4) The ultimate test in discrimination (as in other) proceedings was whether discovery was necessary for the fair trial of the proceedings. If it was, then discovery must be ordered notwithstanding confidentiality. But where the court was impressed with the need to preserve confidentiality, it would consider carefully whether the necessary information could be obtained by other means, not involving a breach of confidence.

(5) In order to reach a conclusion as to whether discovery was necessary, the court would consider the nature of the documents, the nature of the case, and the nature of the information sought.

(6) The procedure by which that process was to be carried out was one for tribunals to work out in a manner which would avoid delay and expense, and which would be consistent with the principles of the Access to Information Act 1977.

(7) Those conclusions were essentially in agreement with those of the Court of Appeal, though the House of Lords, in a unanimous decision, held that the EAT was correct.

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a claim could be admitted. The area in which the immunity was claimed was essentially one of private right even though interests beyond those of the particular employer concerned might be involved.

(2) To admit such a claim to the anti-discrimination field would conflict with the clear public interest accepted and emphasised by Parliament in the Sex and Race Acts of 1975 and 1976 that the fullest information should be before the tribunals.

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cered. The power was not one to confer immunity but simply the ordinary disciplinary power enjoyed by the High Court and the county courts. By equating the powers of tribunals to those of the courts, Parliament had indicated clearly that those limitations on the granting of discovery which the courts had long accepted should apply to tribunals.

Fourthly, Article 6(1) of the European Convention on Human Rights guaranteed the right to a fair hearing. Mr Vyas relied on this as requiring total disclosure of all information relevant to the case, confidential or not. But that was a fallacy, for the whole aim and object of those provisions was to ensure that the courts should apply to tribunals.

Finally, to dispose of the actual appeals, in Mrs Nasse's case discovery was sought of a whole range of documents claimed by the employer to be confidential. The chairman of the industrial tribunal ordered accordingly with necessary subject to safeguards of such as were necessary for fair disposal of the case.

The situation in Mr Vyas's case was similar. The Appeal Tribunal ordered that he should be allowed to inspect all the documents as listed, regardless of confidentiality. The Court of Appeal held that that was wrong and his Lordship agreed. The Appeal Tribunal's order was accordingly set aside and Mr Vyas's appeal dismissed. However, some of the documents might well be necessary for disposing fairly of the case. If it were, the industrial tribunal should consider, at the time and in the manner it considered most suitable, which, if any, of the requested documents should be disclosed and produced in order to enable the proceedings to be fairly disposed of.

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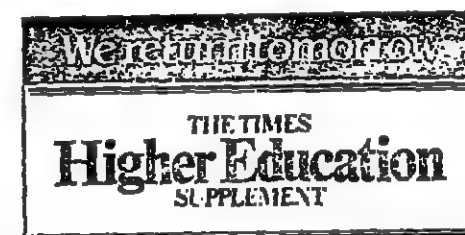
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THE PHONE BILL COMETH



We're now in the process of sending out the overdue phone bills. Some of you may have already received one.

But it may help you budget to know what you'll be paying. Your first bill will arrive some time before the end of January. It will cover up to nine months' calls (which brings you up-to-date on them) and six months' rental.

The other three months' rental will be added

to your next phone bill, making six months' rental in all. This will be sent out before the end of April. By which time things should be back to normal.

Obviously, we realise it's not going to be easy catching up. But it may help if you stick away some of our telephone stamps for the rainy day.

Post Office Telecommunications

BLIND AND ALL ALONE

RENT A GOLF BALL FROM IBM



YOUR HELP is a matter of life and death in KAMPUCHEA

Red Cross supplies of food and medicines are reaching Kampuchea every day. The urgent need is to continue building up quantities and to extend distribution.

As an independent voluntary relief organisation, we need more cash to do this. Please help us by sending as much as you can, as quickly as you can.

An up-to-date progress report on the Red Cross relief operation in Kampuchea (Cambodia) will be sent on request. (SSE appreciated.)

The Red Cross
British Red Cross Kampuchea Appeal, Dept. K15
8 Grosvenor Crescent, London SW1X 7EL

If you require receipt, please enclose SAE
I enclose £... as my contribution to the Kampuchea Appeal
Name
Address

Few Land Act acquisitions

By Our Local Government Correspondent

Only one in three London boroughs and local authorities in the non-metropolitan areas of England took advantage of the Community Land Act by undertaking community land transactions, the Chartered Institute of Public Finance and Accountancy disclosed yesterday.

Three out of four councils in the metropolitan areas undertook one or more transactions under the Act to March 31, 1978. The total of land held by local authorities under the Act is being established, but the statistics raise the question of what is to happen to the land when the Government fulfils its pledge to repeal the Act.

Community Land Act Statistics 1977-78 (Cipa, 1 Buckingham Place, London SW1, E4).

Lady Bridport's decree

Lord Bridport, aged 31, the merchant banker, consented to a decree nisi granted to Lady Bridport in the London Divorce Court on Tuesday on the ground that their 1972 marriage had broken down. They had lived apart for more than two years.

Two PCs suspended

Two police constables from Maldon, Essex, have been suspended from duty on allegations of theft from an empty house.

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Joyous cuisine of the Sun

The Times Cook



Shona Crawford Poole

Fancy choosing November to publish a book of sparkling recipes inspired by Mediterranean sun and produce. Just when basil, tarragon, and the tender herbs of the South are succumbing to the rigours of life outdoors in England, Macmillan launch the translation of Roger Vergé's *Cuisine Of The Sun*. It would be too frustrating if the author's charm did not make this a book to read for inspiration as well as instruction.

Roger Vergé, whose restaurant the *Moulin de Mougins* near Cannes now has three stars in the *Guide Michelin*, calls his kind of cuisine *hervé*, and joyful cooking is exactly what he shares with his readers. "A recipe is not meant to be followed exactly—it is a canvas on which you can embroider," he says in his introduction. "Improvise and invent. Add the zest of this, a drop or two of that, a tiny pinch of the other. Let yourself be led by your palate and your tongue, your eyes and your heart. In other words, be guided by your love of food, and then you will be able to cook."

Fulsome perhaps, but even the timid can take courage from such advice when it is supported by detailed instructions on choosing the raw materials and what to do with them. Well explained methods tend to be lengthy, so the recipes reproduced here are simple ones. Many of Roger Vergé's dishes are for two, which I like (multiplication being less hazardous than division), but also many of the most enticing will have to wait for those summer herbs. His game and poultry recipes look delicious. I have tried the two for duck and they are excellent. Caroline Coman, who edits the English edition, particularly recommends his methods of cooking fish.

It is encouraging, or dismaying, depending on which way you look at it, to find Vergé and Coman agreeing that a sorbeter is essential for making smooth ice. Nonsense. All you have to do is freeze the mixture to a stiffish slush, tip it into a chilled bowl, and beat it really well before returning it to the freezer. If you miss the stiffish slush stage, no matter. Let the ice thaw a little in the refrigerator before trying to beat it. It is better not to try to hurry the business by mixing at room temperature. And depending on how cold you run your freezer, it is usually necessary to soften or "ripen" ices in the refrigerator before serving. The time will depend on the chemistry of the ice, and on its size, both matters of experience and taste which each of us must explore for ourselves.

Here then are three recipes from the book. Of *Mikado* salad Roger Vergé says: "This salad doesn't set out to be grand but it brings together ingredients of similarly delicate taste and texture. This is

all that is needed to achieve a great dish."

Mikado salad
Serves two
1 avocado pear weighing about 180g (6oz);
1 heart of frisée or curly endive;
350g (12½oz) firm red tomatoes;
2 large white mushrooms about 80g (3oz) each;
1 tablespoon red wine vinegar;
1 teaspoon Dijon mustard;
3 tablespoons olive oil;
20g (½oz) croutons cut in tiny julienne strips (optional);
Salt, pepper.

Bring 1 litre (1½ pints) of water to the boil in a saucepan. Remove the stalks and plunge the tomatoes into the boiling water for 2 minutes. Then run them under the cold tap. They will now be very easy to peel. Cut each in two and press the halves in the palm of your hand to squeeze out the skins and excess juice. Cut the tomatoes into small dice and set aside in a colander. Wash and dry the endive carefully.

Cut the avocado in two lengthwise and remove the skin—it should come away easily if the avocado is perfectly ripe. Cut the flesh into thin slices and set aside on a plate. If you are doing this in advance, keep the slices under a plastic wrap. This helps prevent the avocado flesh darkening. Take the tops of the two mushrooms, keeping the stalks for another use, wash and dry them and slice thinly.

To arrange the salad, put a tuft of endive in the middle of each plate. The rest of the plate is divided into three parts—the first being filled with drained dice of tomato,

The new Times Cook is Shona Crawford Poole. She joined the paper eleven years ago and will continue as its deputy features editor. Her Christmas Cookbook, just published in New York, will be available here in paperback next year. Two more books, on ice cream and on cooking with yogurt, written during The Times closure, are due out in the spring. News, views and comment will spice her weekly cookery column, with recipes as varied in their appeal as our readers' tastes, skills and pockets.

the second with the slices of mushroom and the third with the slices of avocado. If you are using truffle julienne, sprinkle them over the tufts of endive.

Mix the wine vinegar and mustard in the bowl. Season with salt and pepper, add the olive oil and mix thoroughly. Season the salad with salt and pepper and sprinkle the vinaigrette over them with a spoon. Serve chilled.

Medallions of veal with lemon

Serve two
About 300g (10 oz) veal fillet (tenderloin) cut into 4 pieces and trimmed of fat and sinews;
2 first grade veal cutlets trimmed of their fat;
1 ripe juicy lemon;
60g (2 oz) butter;
4 tablespoons dry white wine;
1 tablespoon chopped parsley;
Salt, pepper.

Pare off the peel of half the lemon as thinly as possible



with a potato peeler and cut into thin julienne strips. Put the strips of peel in a small pan with cold water and bring to the boil. Drain and refresh under the cold tap. Return the blanched peel to the pan with half a teaspoon of sugar and 1 tablespoon of water and cook until the water has evaporated and the peel has become a beautiful bright yellow. Remove from the heat and keep on one side.

Heat a third of the butter in a frying pan, and meanwhile season the pieces of veal on both sides with salt and pepper. When the butter begins to sizzle, cook the veal over a moderate heat, giving it about 5 minutes on each side. Remove the meat and keep hot. Pour away the cooking butter but do not wash the pan. Deglaze the pan with the white wine over a moderate heat, scraping up the caramelized juices from the bottom of the pan and allowing the wine to reduce until there is only a generous tablespoonful left. Then add the remaining butter and mix very well to amalgamate the sauce. Add the chopped parsley, taste and

season with salt and pepper. Arrange the veal on two hot plates and add the juices which have run out of it to the sauce. Pour the sauce—there will be very little of it—over the meat and decorate each medallion with a slice of peeled lemon and a pinch of the cooked julienne of lemon peel.

Vergé suggests chicken or fresh young vegetables cooked in butter to accompany the veal. And since William Peers are in season now, I have chosen his sorbet recipe using this fruit from the wide selection in the book.

William Peers sorbet

Serves two or three

About 300g (10 oz) ripe (but on no account overripe) William Peers

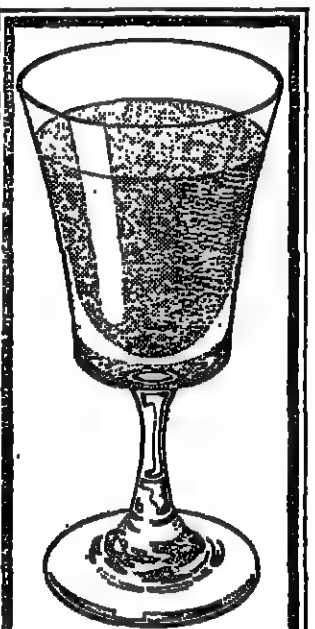
2 lemons
80g (3 oz) caster or icing sugar.

Peel the pears, cut them into quarters and core them. Rub the pieces of pear all over with half a lemon to keep them white.

Put the quartered pears in a small saucepan with the sugar and lemon juice, and simmer for 10 to 15 minutes.

Take out the pears and reduce the cooking liquid by boiling until it starts to thicken and becomes syrupy, without letting it brown. Allow the pears and syrup to get quite cold, then add the juice of a lemon. Purée everything together in the blender or through the fine blade of a food mill. Transfer the mixture to the ice cream maker and freeze. To serve, scoop the sorbet into balls with a table spoon dipped in hot water and serve in well chilled ice cream dishes. *Cuisine Of The Sun* by Roger Vergé is published today by Macmillan, price £8.95.

When even the survivors may not escape unscathed



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If they think at all about the starving children pictured in reports from Kampuchea, most Westerners probably assume that the choice lies simply between survival or death. Yet for millions of children in Asia, Africa, and South America starvation is not a sudden threat brought about by war or political turmoil; in most developing countries some degree of malnutrition is the norm for the mass of the child population, and natural or political disasters only increase its severity. Malnutrition is, indeed, the primary cause of the continuing mortality in childhood in these countries, since it lowers resistance to infections such as measles or gastroenteritis which would not otherwise be fatal.

Only comparatively recently have experts on child development begun to investigate the long term effects of starvation. How much permanent damage does malnutrition in infancy cause to the physical and mental growth of the child? Adults are capable of complete physical and mental recovery from near-lethal starvation—as was shown by the remarkable return to normal health of most of the prisoners of war and concentration camp victims at the end of the Second World War. In the case of children, however, the evidence is far less clear-cut, and many experts on child development believe they may be more vulnerable.

Research on animals has shown that even moderate malnutrition can have serious effects if it coincides with the time the brain is growing most rapidly. Experimenters have shown repeatedly

that when very young animals are fed inadequate diets they grow up with brains smaller and containing fewer cells than normal. The relative proportions of the different structures in the brain may be distorted, and permanent changes have also been shown in its chemical functioning. Not surprisingly, the affected animals can be shown to be handicapped in laboratory tests; their capacity for learning is impaired and they are slower and clumsier than their normally fed contemporaries.

Whether or not the results of these experiments are applicable to man is a contentious topic. The period of most rapid growth in the human brain extends from the midpoint of pregnancy to the end of the second year of life. This is the period at which the brain would be most vulnerable to malnutrition, but as yet there is no incontrovertible evidence that human infants are susceptible to permanent developmental damage at this time.

There is no dispute that a woman who is starved during pregnancy will give birth to a malnourished child; and if the baby gets too little food in its first months of life it will remain undernourished. Research workers have also shown that when whole communities are examined the children from the poorest families are not only smaller than average (because they have had less food) but they also perform less well on tests of intellectual function. The confounding factor is that physical malnutrition usually goes hand-in-hand with some degree of emotional deprivation.

and it is rarely possible to distinguish the effects. Furthermore, a child suffering from malnutrition is apathetic and unlikely to show the inquiring interest in his or her surroundings essential for normal development.

Fortunately by no means all the research findings are gloomy. Human infants are remarkably resilient and show great powers of recovery. One of the best known examples is the case of Kolomoyska's twins, named after the Czechoslovakian doctor who described them. These were a pair of identical twins who were starved and malnourished from their birth to the age of 18 months to seven years. They were discovered in a cellar, emaciated and fearful, hardly able to walk because of rickets, and with retarded speech and behaviour. Tests at that time suggested that their intelligence was in the severely subnormal range. Yet with care and protection their recovery was startling. They rapidly caught up with their contemporaries in health and behaviour, and by the age of 14 were rated as of normal intelligence (IQ of 100) and were described as witty, gay, and popular. Their story supports the view of some experts that children, like adults, can recover from prolonged starvation to a surprising extent, provided that they are returned to spring care.

What, then, can be said about the child survivors of the current famines in the Far East and the more chronic malnutrition elsewhere in the world?

Without doubt, starvation in childhood stunts growth and these children will be shorter than they would have been had they been given the chance to fulfil their genetic potential. However, for most of recorded history Western adults have been similarly stunted: the increase in size of each teenage generation in Britain this century simply reflects the increasing proportion of the population that has been adequately fed throughout childhood. It is still sadly true that only in a few countries such as Sweden is there no difference in size between children from different social backgrounds. So these surviving children will grow up undernourished. Their intellectual and psychological growth is less predictable. The experts may be right in their assertion that no link has been proved between malnutrition and impairment of intelligence—but that may simply reflect the difficulty of separating nutrition from other adverse influences. Taken at the most optimistic assessment, the research results suggest that the children will have to be very lucky to escape unscathed. In their favour is the fact that reality may be a little less bleak. So many families have died that the children who survive have unusual qualities of resilience and determination. What we in the West have been watching is a grim example of the Darwinian principle of survival of the fittest.

Dr. Tony Smith
Medical Correspondent

Charity card time again



Card from Unicef

The Year of the Child is nearing its close, so what better time is there to give to children's charities. Christmas cards which raise money for children in need have long been available through the Charity Christmas Card Council, so this year our list concentrates on these good causes.

The Council has more than 500 designs for 89 charities. For a full list of charities and the cards write to the Charity Christmas Card Council at 84 Southampton Row, London WC1B 4BB enclosing a stamped, self-addressed envelope. Personal shoppers can make their selection at one of the four charity card supermarkets in central London. These are at the Council's Southampton Row headquarters, at the Royal Exchange, London, EC3, at TUC headquarters, Great Russell Street, WC1, and at Devonshire House, Stratton Street, London, W1. For details of out-of-town charity card shops, write to the Council on 01-242 0546 and ask for the 1979 Group.

Of the charities listed below, those marked with an asterisk will overprint the sender's name. Those requiring a stamped, self-addressed envelope are also marked. The last posting date for inland first class mail is December 19.

Alzheimer's Association for Spina Bifida and Hydrocephalus helps children and their families. See to Tavistock House North, Tavistock Square, London WC1H 9JH.

Dr. Barnardo's Care for neglected and handicapped children. PO Box 20, Ilford, Essex IG6 1QQ (Rayleigh 747932).

British Heart Foundation Finances research into diseases of the heart and circulation. Dept D, Heart Cards Ltd, 57 Gloucester Place, London W1H 4DL.

British Rheumatism and Arthritis Association Helps sufferers with information, advice and practical aid. Colour brochure from 6 Grosvenor Crescent, London SW1X 7ER.

Cancer Research Campaign (research into all forms of cancer, including leukaemia). See to Cancer Cards Ltd, PO Box 39, Derby DE1 1EL, or 2

Carlton House Terrace, London SW1Y 5AF, where personal shoppers are welcome.

Crisis The national organisation for the widowed and their children. Supportive help and advice. Inexpensive cards (postage extra) from Crisis House, 125 Sheen Road, Richmond, Surrey TW9 1UR.

Help the Aged All-round help for the destitute elderly. Brochure from PO Box 30, London N1 1RF. Personal callers welcome at 218 Upper Street, London N1 (01-359 6316).

Invalid Children's Aid Association Helps families with children suffering from all kinds of handicap. See to KCAA, 126 Buckingham Palace Road, London SW1.

Iris Fund for Prevention of Blindness sponsors medical research to prevent blindness, particularly in young people. See to Iris Fund, 193 Westminster Bridge Road, London SE1 7UT. Cards in packets of 6 from 35p to 50p, from J. Arthur Dixon, Forest Side, Newport, Isle of Wight, PO30 5QW.

John Grooms Association for the Disabled Provides residential care, employment and specialised wheelchair housing for physically disabled. Plus residential homes for old people. S.A.E. for illustrated Christmas card brochure and craftsware price list. Mail order to John Grooms Craft Centre,

Edgware Way, Edgware, Middx. HA8 9YT. Personal shoppers to Edgware Way, or 10 Gloucester Drive, Finbury Park, London N4, in normal office hours (01-502 7272).

The Malcolm Sargent Cancer Fund for Children The fund gives practical and financial help to children suffering from cancer, leukaemia or Hodgkin's disease. Send S.A.E. for colour brochure to 6 Sydney Street, London, SW3 6PP (01-352 6884).

Colours of Christmas Brochure £1.80 (incl. UK postage). Six designs and calendar at CCCC shops.

Multiple Sclerosis Society The society promotes and funds research into the cause and cure of Multiple Sclerosis and provides a welfare service for sufferers. Full colour brochure available. Cards can be obtained from MSS Cards Limited, 20 Box 35, Burton-on-Trent, DE14 3LP. S.A.E.

National Children's Home Care for 5000 children annually in residential homes and schools. Colour catalogue available for cards and other gifts from NCH Sales Division, Ambrose Lane, Harpenden, Herts, AL5 4BY.

National Society for the Prevention of Cruelty to Children Provides help for children in this country and gives advice and practical help to parents. Illustrated brochure of cards and gifts from NSPCC Greeting Cards Limited, 1 Riding House

Street, London W1P 3AA (01-330 8812) and PO Box 39, Burton-on-Trent, Staffs DE14 3LP.

Quaker Homeless Action. Houses, feeds and cares for homeless men and women throughout the year, but especially over the Christmas period. Two designs of cards in packs of six cards for 54p. Mail orders to Margaret Johnson, 66 Dacre Road, Rochin, Herts.

The Richmond Fellowship For mental welfare and rehabilitation. Order forms for cards from the Richmond Fellowship Cards, 8 Addison Road, London W14 8DL.

Sunshine Fund for Blind Babies and Young People. Helps blind children to get the best and the most suitable education throughout their school life. A range of 44 designs, packs of six from 10p to 65p. Two assorted packs, illustrated brochure from the Sunshine Fund, 224 Great Portland Street, London W1N 6AA. Personal shoppers call at 222 Great Portland Street, Tuesdays to Fridays 10.00 to 5.00.

The Salvation Army The army is the largest single provider of accommodation for homeless people in Britain. Cards and illustrated brochure available at International Headquarters, 101 Queen Victoria Street, London EC4Q 4EP (01-236 5222) and at most of the Salvation Army Corps throughout the country.

United Nations Children's Fund Art diary and wide range of all occasion note-cards and stationary gift items. Free colour brochure: Unicef, 84 Broadfield Road, Chelmsford, Essex, CM1 8SS. Chelmsford 646221.

Save the Children Fund Cares for needy children, irrespective of nationality or religion. Six designs of cards in packs of five from 50p to 91p. Sixteen designs in packs of 10 from 54p to £1.07. Illustrated card and gift brochure sent on request. SCF Trading Dept, PO Box 40, Burton-on-Trent, Staffs. W1: 198 Tarncliffe Road, Eastbourne and 19 George Street, Hove.

ENTERTAINMENTS

When telephoning use prefix 04 unless quoted London Metropolitan Area.

OPERA AND BALLET

COVENT GARDEN 01-240 1000
(Callers should quote 045 9000)
DEA ROYAL VALLER
CANCELLED
The Royal Opera House, Covent Garden, has cancelled the performance of *La Traviata* on Monday, November 19, at 7.30 p.m. The performance will be rescheduled for a later date. Full details will be given in the next edition of the programme.

THEATRES

ADOLPH 01-240 1000
The play *Adolph* by Henrik Ibsen, directed by Peter Hall, is being performed at the Royal Opera House, Covent Garden, on Monday, November 19, at 7.30 p.m. The play is a tragedy about a man who is torn between his love for a woman and his duty to his country.

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DISTRESSED GENTLEFOLK'S AID ASSOCIATION

Vicage Gate House, Vicage Gate, Kensington, London, W8 4AQ

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They are special because the DGAA understand the problems of the elderly—and, in particular, of the elderly who have known "better days". People are always given a place in a Home where they will "fit-in", where the others are the same sort of person with much the same sort of problems.

This is vital work. It is work that must be done with sympathy, with understanding and with experience. It is work to which we have been dedicated since 1897.

The DGAA needs your donation urgently. And please, do remember the DGAA when making out your Will.

by M. J. ...

A revelation of Stravinsky's consistency

Georgia Hale and Lee Monrague photograph by Donald Godder

NEW BOOKS

How did we get here?

An Unfinished History of the World
By Hugh Thomas
(Hamish Hamilton, £12.50)

At first sight this book seems even stranger than its title. Two hundred and fifty-two pages take the reader from the formation of the earth to 1750 AD. The next 376 pages are devoted to the last two centuries. The world, here delineated, is as uneven as the chronology. China and the East are allowed only a fraction of the attention given to Europe, although the bulk of the world's population has always lived there. Again, the subject matter, to some, will seem just as top-heavy. The development of technology is exhaustively dealt with but there is little about art or music. More space is devoted to the furnishing of a renaissance nobleman's house than to renaissance art.

It would appear, then, that Professor Thomas has stretched himself out like a marmoset on St Sebastian for the sharp and wounding arrows of his critics. One can imagine Professor Barrowclough sharpening his with glee, for Professor Barrowclough has long denounced the Eurocentricity of Western historians. He has never been presented with such a seemingly simple target. He should take care, however, for underlying Professor Thomas's seemingly incoherent and defensible thesis.

Professor Thomas is a realist. There is no escape from the

fact that the modern world from Papua to Portugal, from Siberia to Tierra del Fuego is dominated by Western technology and by Western political ideas, whether Marxist, socialist or capitalist. The stone-age men of New Guinea—the last of the great aboriginal populations—now depend on the aeroplane. They are rapidly losing their own very limited languages and speak only English. Sixty years ago none of the highland tribes had seen Western man. The failure of the Gang of Four marks perhaps the failure of the last attempt of the East to exclude things Western. Now China shares not only for its technology but its art, its music, its life style.

Hence, put very simply, Professor Thomas's thesis is this—the long age of agriculture which stretched from its dim beginnings in c.10,000 BC to the middle of the eighteenth century which was also to be found throughout the world, literally from China to Peru, began to be transformed in Europe from c.1450 to c.1750 by a series of technological, geographical, economic and cultural revolutions that were the prerequisite for the most profound of all revolutions in the history of mankind—the industrial and scientific revolutions of the past 200 years, revolutions that have not ceased, and like most revolutions have brought a plethora of failures as well as successes. Professor Thomas is concerned primarily with the process of social change and of the dif-

fusion of these changes throughout the world. Hence his method is coherent and his emphasis of his argument and his material just. Although critics will carp at his selectivity, to my mind his argument is unassailable.

His range of learning is formidable, if at times a little shallow as, indeed, it must be for anyone embarking on so vast a project. Here and there he depends a little too heavily on one or two experts—Sir Bernard Lewis on Islam, a splendid authority, certainly, but open like all of us to the possibility of error. There is scarcely an aspect of human life that he does not illuminate: the only criticism I can make is the lack of space given to Western cultural achievements which follow sometimes quickly, sometimes slowly, the spread of Western technology and political ideas: he also ignores Western sport which now dominates the lives of non-Western peoples as much as Western technology. Both subjects could not have weakened Professor Thomas's argument in any way.

However, much more important than the factual material is intellectual spark, the acute perceptions, the irresistible argument and the deep sense of the human condition which infuses the whole work.

Although Professor Thomas has a realist's sense of the value of technology and of the need for man to exploit his environment as well as other species, he is no blind optimist either in technology or politics. For example, he has no doubt that television has enhanced the quality of life for millions of people but he is even more aware of its capacity to sustain dictatorship, to exploit the cruder forms of human appetite or even to debase moral standards. Likewise to deeper issues—the vitality of capitalism; the contradictions inherent in bureaucracy; the fragility of democracy—he brings wisdom, understanding, care and caution. He succeeds brilliantly in what he sets out to do—to display the historical roots of the problems of our time: world problems as well as European problems, but even if they are world problems they have been created by Europeans.

Perhaps the most satisfactory aspect to me of this stimulating and informative book is that Professor Thomas puts Europe with its industrial, scientific and political revolutions where it should be—at the heart of the matter. And furthermore, he reasserts—never stridently and always by implication—the role of the historian to explain how this generation came to inherit the world in which it finds itself. A copy should be kept, chained, in every sixth form.

J. H. Plumb

Lines to remember

The Oxford Dictionary of Quotations
(Oxford, £12.50)

The French have got it wrong, as usual. Quotation is the English vice. We quote to show off, to assert our culture, to share the joy we get from an author, to dress our dullness in borrowed plumage, and for other reasons, not all of them shameful. From cross-words to hacks in a hurry to appear better read than we are, our richest source of quotations is the pen and the most authoritative arbiter for verifying our references (Dr. Routh, originally, a century before Churchill) is *The Oxford Dictionary of Quotations*. This third edition is the first major revision since it appeared in 1941, and cautiously admits a new generation of quotations from Christopher Hampton to Mandy Rice-Davies.

As you would expect it is

a beautifully produced book from its romantic dust jacket of Venus to the clarity of its typography and the dryness of its glosses, one of which demonstrates that we are wrong to use terminological inexactitude as a nice substitute for lie. As for content, just over a third of the quotations are new, and 440 previously unquoted authors are represented. To make way for them bylines have been cut down to the bone, on the grounds that they are no longer diamed into the national memory.

The gaps are filled by much more from the Authorized Version, not the usual NEB (the Cedars of Lebanon make it for the first time) and more Shakespeare (surprisingly "I'll meet you by moonlight" did not receive the seal of quotability until now). Then the new (well, fairly new) men from Auden to Graham Greene to Stoppard are introduced. It is no longer necessary to be dead to make

it into the ODO, though it still helps.

Portuguese, Chinese, and Russian are judged quotable. The new quotations reflect our preoccupation with the condition of women, though the reflections are old-fashioned, not Greer but Mary Wollstonecraft and Queen Victoria ("this mad, wicked folly of 'Woman's Rights'"). There are no nursery rhymes, no pop songs, no advertising slogans, which are probably the most popular vernacular quotations around. This is a matter of space. The gown of being our national judge of quotability hangs heavy upon Oxford. Can you put in the Beatles if it means leaving out, say, Hooker? Not if you are OUP, you can't.

The dictionary is an enchanted garden for browsing, for discovering new flowers and marvelling at the vast herbage of good stuff that remains to be read before one becomes a reader in the great library in the sky. I really must get round to

Emerson one day. I suppose, but what sort of "must" is that? There is another less attractive sort of serendipity in such browsing: a glimpse of omissions in quote-unquote. What, no Perelman? And only one Ruskin? Only one adorable Dorothy Osborne? So little Wordsworth? And that not the best?

It is difficult to review such a book without trying feebly to keep one's quill and pen. But the learned and all-read editors and their advisers, led into the sweet but sticky melleficium of quotations by Richard Brain and Betty Palmer of OUP, our quote one every time.

For reference the dictionary is invaluable, though you will also need a previous edition, and dictionaries of modern quotations, catch-phrases, proverbs, and so on. For pleasure it is the perfect companion. It is the perfect companion to the sleepless passages of the night when one can concentrate only in flashes.

Philip Howard

The lost leader

Hugh Gaiskill
By Philip Williams
(Cape, £15)

Let me, as they say in the Commons, declare an interest. More than 20 years ago, when newspapers across the western world were blackguarding *The Times* and me for stabbing Selwyn Lloyd in the back, I came down a Commons staircase into Speaker's courtyard with Hugh Gaiskill. His wife Dora waited in a car there to be driven home. As politician's wives sometimes will Dora, believing what she read, reproached me and asked how I dared write so very irresponsibly about her Foreign Secretary. Hugh Gaiskill checked her flow with the words, "Dora David is my friend". No more. Whatever the rights and wrongs, for Hugh the fact of friendship sufficed. Where you want or get sent, he went without calculation.

I would not wish to review any biography of Hugh Gaiskill other than on his own terms. It is intensely refreshing to say that Philip Williams's book places none of Hugh's friends, academic or political, under any strain at all. Here, in a thousand pages, is the man his family, his friends, his party colleagues knew. Even Mr Michael Foot, as the biographer of Aneurin Bevan under correction, could not forbear to cheer in his *Listener* review.

Fiction

Shikasta
By Doris Lessing
(Cape, £5.95)

Doris Lessing's magnificent new novel *Shikasta* is an astounding book that sets out to chronicle the whole world of humanity, spirit, earth, stars, soul, resources, virtue, evil, pre-Eden, forever.

I'll try to tell it as it is. Our planet, regarded as the most worthwhile colony by Canopus, one of the brightest stars that is used in reality to guide present astronauts and whose

name has several allusions, including the name of the Greek legendary hero for the argonauts. The brightest envoy in Doris Lessing's Canopian colonial service is John, who populates the novel through the millennia, not only as a troubleshooter but also when everything in our garden is lovely; the Canopus Empire has also called up Ravana, meaning fruitful, a paradise inhabited by creative, long-living giants and natives developing in exquisite, mathematical cities of coloured stone.

But there's a sudden change. Poul radiations emanate from everywhere, the supply of a substance like air called sowit (substance-of-we-feeling or fellow responsibility) is reduced and the place becomes a shattered, shattering ruin. Canopus renames it Shikasta, the stricken, and departs the giants while sending in John to see what he can do.

John, who is androgynous, ships into being George Sherman, born in England (known as the North-West Fringe), he's looking for his cat, the hot-league Taffin, who has become John Brem-Oxford, Labour MP. Because we have so many wars on our planet, Canopus calls this our century of destruction, and John/George records with what he rightly calls love, sometimes stargazed, the period before the Third World War. John/George now finds his mate, George is the prosecutor, on behalf of all black, brown

and golden people on earth, and John representing the white faces a charge that could go on and on but doesn't: in any event, it's greed, despoiling, arrogance, ignorance, stupidity, pop psychology, then the proscription does not, saying it's evasive to "ascribe every crime in the book to any particular class or nation or race". They should consider, rather, the divisions caused by politics and power at a time when to be non-political is like being an atheist in the Middle Ages.

The frustrated trial crowds break up, exacerbated by mysterious aircraft, buzzing over them. A bomb drops, killing only John Brem-Oxford. Factional and race vengeance increase and a ghastly war, termed the invasion of the planet, destroys all but one per cent of our planet's population. These people then rebuild gorgeous cities shaped like stars, and replant "Paradise now".

Mrs Lessing opens the boundaries of the did to some extent in *The Golden Notebook*, of stories within stories, lives within lives, using the technique of historical reports, journals, unposted letters. There's a lively use of traditional and classical myths and stories of her own invention and of mixed faiths: she also occasionally marries English, Greek, Hebrew, Arabic and several other languages, with her made-up words.

Myrna Blumberg



Allen Lane, publisher triumphant

Founding father

Allen Lane
King Penguin
By J. E. Morpurgo
(Hutchinson, £9.95)

Allen Lane had charm and flair, but he could be a bully. He was autistic, over-ambitious, and lucky. He was an entrepreneur, an often inspired general and a hedonist. But by some happy accident of maturity he became a magnificent publisher, the man who conceived the idea of the paperback book as we know it today, the man who made Penguin the only publisher's imprint that is synonymous with quality. Hoover is to vacuum cleaners.

Lane was a nephew of the John Lane who founded the Bodley Head, an innovative firm in its own right as the publisher of *The Yellow Book*, of Oscar Wilde, of André Gide. It was John Lane, lacking an heir, who conceived publishing into young Allen's consciousness, and it is, quite rightly, with John Lane that J. E. Morpurgo begins his biography.

Penguin itself was born in a bathroom in Talbot Square, a badgered what would today be described as a family think tank. It is one of the revelations of the biography just how much Penguin was a family creation, not just of Allen Lane, but of his brothers Dick and John. They repaid a firm and bounced ideas off each other during the morning ablutions.

The idea of cheap editions was not new, indeed Morpurgo goes back four centuries to Aldine editions of classical texts printed in Venice in 1501, but the moment was propitious. Penguin would offer books from the variety of publishers, covering a wide range of tastes, good books, entertaining books—ten

titles a month, well designed and produced (another legacy from Uncle John's training).

Once under way Penguins never looked back. It was as if some hitherto undetected force had been unleashed. People wanted books that were accessible, cheap and never talked down to them. The market—although the Lanes didn't realize it at the time, indeed much of their success was luck rather than design—was a generation whose formal education ended at 14, but who improved themselves at Birkbeck and Ruskin and through the WEA. Penguins, and soon Pelicans, Penguins Specials, King Penguins, Peregrines and Puffins were an avary of scholarship, cheerful, but never pompous.

The war, coming only three years after the first titles, was a forcing ground that catapulted Penguin into an institution—Morpurgo likens it to the BBC and *The Times*—but like all such institutions its failings and its problems have since become matters of public interest, instead of concern.

Allen Lane was not an intellectual, but he fostered a breed of genuine, honest intellectualism, never allowing the company balance sheet alone to interfere. But it was an institution that became bigger than its creator and that ranked. Allen Lane did not like personal competition, hence the unsatisfactory search for a new King Penguin towards the end of his life. He wanted someone to whom Penguin could be entrusted, but not someone who would challenge him.

Thus the unhappy final years when he fought with the late Tony Godwin, a great editor, but as mercurial as Allen Lane himself, a man who wanted to develop Penguin on his own terms. The legacy of this uncertainty in the 1960s remains with Penguin today. For the sake of its public I hope the present incumbent, Peter Mayer, can get it right. Penguin is too valuable an asset to the reading life of Britain to be allowed to flounder.

It is to Morpurgo's great credit that the biography seems so fair. Having been crossed by Allen Lane after 20 years of friendship when Clare Lane went against her father's wishes and married Morpurgo's son Michael, it would have been understandable if some venom appeared in the biography. It does not. *Allen Lane King Penguin* is a riveting story, very well told.

Ion Trewin

The fight to die

The Executioner's Song
By Norman Mailer
(Hutchinson, £8.85)

So much of this enormous, excessive and absorbing documentary novel on the life and death of Gary Gilmore is concerned with news and the media that it seemed quite natural to find out the reasons Norman Mailer wrote it, by switching on TV. There were, in fact, three.

Number one, he told Melvyn Bragg on the first *South Bank Show* of the season last Sunday, had been money. (No more of that.) Number two was Gilmore himself, "the walking horse of something important". If you believed that Western society was moving, very slowly, towards Eastern concepts of karma and consciousness, then this man who demanded his own death was the first to test publicly his faith in existences previous to and following this one: "the first martyr".

Mailer suggested, "of reincarnation". He never states this quite so simply in the book, but a gut belief in reincarnation is the only convincing explanation of Gilmore's cold-blooded killing of a gas station attendant and a motel clerk—American crimes classic in their ordinariness—because if you hold your own earthly life of not passing account you are not going to brood much over the value of others. "Can you defend all the attention that punk is getting?" asks a local reporter at one point. Remember the attractions of certainty, and you can.

Number three, Mailer had always wanted to write, but so far lacked the resources wholly to imagine for himself, a panoramic social novel, and the events between Gilmore's release after 13 years in jail, in April 1966, and his execution for murder nine months later, offered the author of *Advertisements for Myself* and *Armies of the Night* a perfect opportunity to work in a new environment and to try his hand at controlling a received narrative and a large cast. Much research and interviewing had already taken place, most of it by Lawrence Schiller, sometime *Life* photographer and "producer" of Mailer's novel biography of Marilyn Monroe in 1973. Mailer went to Salt Lake and taped a lot more. Astonishingly, the book was finished in 15 months. "Somebody must have been in a hurry," he says.

It falls into two more or less equal halves. "Western Voices" follows Gilmore's life, his less descent from release on parole to shoplifting, drinking, fighting, cheating the courts, trying to help him, meeting and making up with Nicole, who becomes the great love of his life, and he of hers. Having spent 18 out of the past 22 years in jail, Gary is not merely without responsibility but vicious and mean, and when she throws him out in despair, he builds up an uncontrollable rage to kill Nicole. Nicole returns, a Valmire, a dreary, selfish and promiscuous girl grabbing for every sensation forbidden to her. Later Gary, Nicole grows to become the most memorable and moving figure in the book.

Mailer makes marvellous use of Gilmore's love-letters from prison: aching, erotic, jealous and fierce, even funny, they tell us as much about the remarkable woman who inspired them as about him, Mailer's heart—and ours, too, in the end—goes out to her.

"Western Voices" ends with the sentence of death. That made national news—there had been no execution in the States since 1967. Gilmore's determination against all the machinery of appeal and liberal dismay across the country to see it carried out made him a world story, which has been ever since "Eastern Voices". The second half of *The Executioner's Song*, takes for his chief themes the fight to keep Gary alive and the battle for the privilege of presenting his story, alive or dead, to the world.

Here comes the stranger part. The central character in all this is none other than Mailer's buddy Larry Schiller, who is buying exclusive rights to Gary's story, then looking for bidders with whom to work. Not only is a great amount of space given over to wheeling and dealing by Press and TV from coast to coast—much of it quite boring—but Larry emerges as the most insensitive operator of all. Was this intended? On the subject of book and movie rights, coy veils mysteriously descend some time before Mailer himself comes in. This part of the story is not complete, yet the ultimate, and biggest, Eastern Voice in the Gary Gilmore story is Norman Mailer's, and its form for posterity apart from the movie, is this one.

Oral evidence makes long books. In stretching to well beyond a thousand pages and allowing much material of small significance to luxuriate beyond the writer's control, *The Executioner's Song* must be said to have failed. But in liberating Mailer from the portentous and sentimental language of *Marjorie* and inspiring him to a fluent and vernacular style of storytelling, it is a triumph of both empathy and expressiveness. He has absorbed the speech-patterns of his Utah County characters so completely into the narrative texture of the book that he has performed the unprecedented act of virtually obliterating himself. He has absorbed some of their dignity too.

In a case which arouses such violent feeling about capital punishment and the right to choose death, Mailer's suspension of judgment has great value: over relatives, lawyers, prisoners, wardens and indeed the entire Mormon community a compassionate benevolence extends.

He has clearly enjoyed the experiment enormously. That it is only an experiment we must hope, because, as he himself remarked with a shimmering, falsest beam last Sunday, the documentary novel "can be better than the novel in a whole lot of ways, but it'll never be as good".

Michael Ratcliffe

Some 30,000 new books have been published during The Times's absence and in the next few weeks we shall touch on some of the best of these, on the Thursday books pages and in a supplement a week on Saturday. Meanwhile we are concentrating on books newly published, including next week, the Henry Kissinger diaries reviewed by David Owen, Ester Calvo's *Ultramarine* in the West by Ralph Bennett, Michael Ratcliffe on *The Right Stuff* by Tom Wolfe, David Piper on Germaine Greer's study of women painters, and J. C. Trewin on *An Actor and His Time* by John Gielgud.

I.T.

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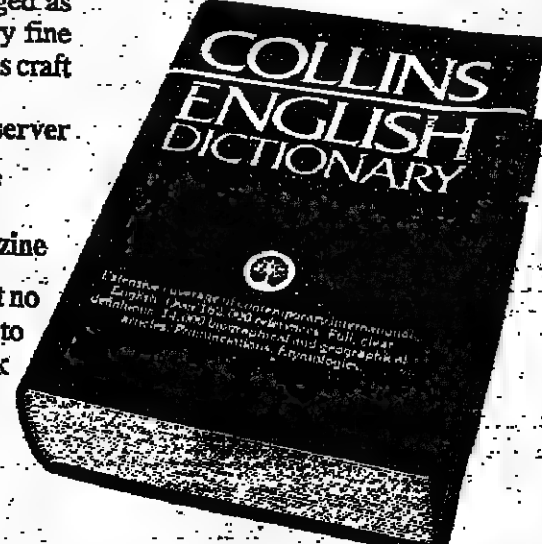
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Stock markets	
FT Ind 410.0 down 13.5	
Fr Gilt 64.88 down 0.98	
Sterling	
\$2.135 up 50 points	
Index 67.7 down 0.3	
Dollar	
Index 37.0 down 0.7	
Gold	
\$390.5 down \$3	
3-month money	
Inter-bank 16 1/16 to 16 3/10	
Euro 514 15/16 to 15 1/16	

IN BRILL

Tax reliefs on pensions to stay —Sir Keith

To the relief of the pensions industry, Sir Keith Joseph, Secretary of State for Industry, affirmed that pension funds would not lose their tax exempt status and that tax relief on pension contributions would remain. Replying to a question on tax subsidies at a conference of the National Association of Pension Funds, he said the Government "didn't have any changes in mind to transform them". In his main speech he had called upon the major financial institutions to strengthen their pressure in relevant cases on United Kingdom companies to improve their performance.

Sasse overseas

Mr Alfred Chapman, a former partner in Price Waterhouse, has been asked by Lloyd's to oversee the rundown of the Sasse insurance syndicate, which was suspended last year and faces claims of £20m. He would chair Additional Underwriting syndicates, a company formed by Lloyd's to fill the gap left by Mr Chapman's resignation as emergency head of Sasse.

Steel outlook poor

Sir Charles Villiers, British steel chairman, confirmed gloomy forecasts for steel demand when he said that European steelmakers were in for a bad time and BSC's plants were aware that a period of intense difficulty lay ahead.

Metric board to close

The Metrication Board is to be wound up at the end of next April, Mrs Sally Oppenheim, Minister for Consumer Affairs, announced. Metrication has been extensively adopted so there was now limited scope for the board's activities, she said.

Gilt prices fall

A tide of bad news and a gloomy Treasury economic survey led dealers to cut gilt edged prices, with falls of £1 even in short. The FT index slid 13.5 to a new 1979 low of 410.0.

Market report, page 26

Unilever down

Unilever shares dropped 4p to 458p on third quarter results and disappointment with the small increase in the dividend.

Express sale denied

Mr Victor Matthews, deputy chairman and chief executive of Trafalgar House, last night dismissed as "absolute rubbish" the suggestion that the plans to sell Express Newspapers. Trafalgar House bought Beaverbrook Newspapers for £13m in 1977.

Plea for tea workers

Brooke Bond Ltd is again being pressed by a small group of shareholders to make a "significant improvement" in the conditions of its tea estate workers in India. But chairman Sir Humphrey Pridemore, asking for a vote against the resolution, claiming it can not be achieved by a foreign company.

Wall St edges up

Wall Street showed a slight gain yesterday. The Dow Jones Industrial average closed 2,474.7p to 816.35 on trading in 580,970,000 shares.

PRICE CHANGES

Rises					
Anglo Amer Ind	25p to 238p	Hamamston 'A	20p to 720p		
Stratford Quind	31p to 284p	Marig Bronze	3p to 29p		
York W.	2p to 18p	Northgate Ex	20p to 340p		
La Rue	20p to 490p	Welton	20c to 690c		
First Castle	3p to 27p	Wood & Son	4p to 31p		

Falls

Burton Group	10p to 260p	Metals Explor	2p to 44p
Dorlandfont	15c to 810c	Minet Edge	5p to 100p
Hamroon	5c to 225c	Peko Wallend	14p to 352p
Farbridge M'con	6p to 139p	W Rand Cons	10c to 330c
Jackman (Sci)	3p to 23p		

THE POUND

	Bank	Bank	Bank	Bank
	buys	sells	buys	sells
Australia \$	1.37	1.31	Norway Kr	11.05
Austria Sch	28.75	26.75	Portugal Esc	109.00
Belgium Fr	45.50	61.50	South Africa R	1.59
Canada \$	2.54	2.47	Spain Pta	144.75
Denmark Kr	11.55	11.05	Sweden Kr	9.27
Finland Mk	3.26	7.96	Switzerland Fr	3.68
France Fr	9.14	8.74	USA \$	2.15
Germany Dm	3.36	3.74	Yugoslavia Ddr	47.00
Greece Dr	55.00	90.00		
Hong Kong \$	10.88	10.28		
Italy L.	1815.00	1710.00		
Japan Yen	336.00	330.00		
Netherlands Gld	4.39	4.16		

Treasury gives warning of tough money supply target

By David Blake
Economics Editor

A major financial package aimed at bringing money supply under control is expected to be announced by the Chancellor of the Exchequer today.

A sharp rise in the Bank of England's Minimum Lending Rate is expected to be coupled with an announcement of a new target for the money supply for the year ahead and plans to consult financial institutions on a possible replacement for the "corset" which seeks to limit bank deposits.

No major banks yesterday followed the lead of National Westminster in raising their base rates but they are all expected to do so soon as the seemingly inevitable increase in MLR is announced. This will put the cost of borrowing for private customers up to or above 20 per cent.

There is also the possibility that the Government will use its actions to get money supply under control and to keep it there came from Mr John Biffen, Chief Secretary to the Treasury, at a conference organized by the Financial Times yesterday.

He said the Government had the will and the determination to do so and stressed that its grip would not be lightly relaxed—not just for a year or two in the aftermath of a financial crisis, but for the sustained period that is necessary if it is to have the desired effect.

Mr Biffen said the Government was also determined to shift the burden of meeting monetary targets from the pri-

vate to the public sector and pointed to a renewed hardening of Government attitude to public spending in the years ahead. A first sign of this is likely to come on tomorrow, when cash limits for both nationalized industries and for local authority spending are announced.

It now seems certain that these cash limits will be based on an increase in average earnings in the economy of around 13 to 14 per cent.

This is considerably lower than the generally expected level of earnings increase and it is thus likely that the cash limits will act to squeeze the actual volume of public spending in the financial year 1980-81.

It is expected that the cash limits to be published tomorrow will be consistent with those set next year for central government. This would suggest a general squeeze on the public sector.

There is also the possibility that the Government will seek actual cuts in the planned volume of public spending in the years after 1981, instead of simply holding it steady.

The new cash limits will also be consistent with the forecast for the economy during next year, expected to be published by the Treasury next week.

This forecast is believed to show a sharp drop in output (down by 1 or 2 per cent), a continuing balance of payments deficit and only a slight moderation in the rate of inflation.

When these Treasury forecasts were first shown to Mini-



Mr John Biffen yesterday: Firm action to control money supply.

sters they seem to have found them too bad to be true. They turned to the Bank of England for an alternative forecast. This was slightly more optimistic, since the Treasury seems to be assuming a very sharp slowdown of stocks and outward investment next year. However, the difference was not particularly great.

In his speech, Mr Biffen said the Government was prepared to give sympathetic consideration to greatly expanding the role of markets in many fields which had become monopolies over the years.

It is in the markets that the first test awaits the Government with a new fall in gilt prices yesterday renewing pressure for a large increase in MLR today as first aid for the Government's policy of monetary control.

It seems likely that MLR, which is the Bank Rate, will rise to a record level of at least 16 per cent today and it may go higher.

Figures for the money supply are likely to show that sterling is likely to allow to grow by no more than 11 per cent, grew by 2 per cent in October and is

growing by about 14 per cent a year. The Chancellor is likely to announce a new monetary target for the next 12 months in the House of Commons this afternoon. Because the amount of money in the economy is already far greater than he had intended, the new target range will have to be lower than the existing 7 to 11 per cent just to stay still. It is widely thought that he will propose something of the order of 6 to 10 per cent.

This would not represent an appreciable tightening of the existing announced target but it backed up by measures to restore credibility to the Government's determination to meet it, it might restore confidence to the money markets.

It seems unlikely that the increase in interest rates will be backed up by widespread measures to control the quantity of lending, for example by tough new hire purchase controls. These would go against the spirit of the Government's policy, which is to impose strict limits on the overall amount of money but to leave the market to decide how it is distributed.

Huge deficit certain for year as trade gap widens to £339m

By Caroline Atkinson

Britain plunged deeper into the red last month with a trade deficit of £339m, more than £221m worse than September, according to the latest figures published by the Department of Trade yesterday.

Although engineering disputes were partly to blame for the increased deficit, there is no doubt that the underlying figures are very disappointing, and it seems clear that Britain's payments will remain in substantial deficit for the year as a whole.

Treasury officials are now much more pessimistic about the United Kingdom's trade performance than in June when the last official forecast for the economy was published.

The Government was then expecting Britain to move into balance on the current account in the second half of this year after a £750m deficit in the first six months.

As it turned out there was an enormous deficit of £1,854m in the first half of 1979. This was partly caused by the disruption to industry during the lorry drivers' dispute early in the year. However, the improvement since then has not been nearly marked enough to push Britain into the black. For the first 10 months of the year the current account has been £250m in the red.

Despite a coming recession, and the growing contribution to Britain's payments from North Sea oil, the Government now expects the balance of payments to show a deficit in 1980. The oil account moved back into deficit again last month after showing a tiny surplus in September for the first time.

The £35m of oil imports in October was not due to any

special factors. The Government believes that while the North Sea is steadily improving the trade figures, Britain will not be fully a net oil exporter until sometime next year.

October exports fell by £30m overall while imports rose by £191m. In volume terms the figures look even worse. Exports fell by 21 per cent from September, while imports rose by nearly 4 per cent.

Exports were hampered by a big increase in overseas sales of precious stones. After allowance for this they were down £300m from September. Exports of oil and machinery fell back from their peak in June.

A more detailed breakdown shows that trade in manufacturing imports rose by 18 per cent in volume in October. Longer term comparisons, which usually give a better guide to underlying trends, are more difficult to make because of the disruption to the figures in the first half of the year.

However, if the latest three months are compared with the first six months of 1979 imports of manufactures rose by 64 per cent in volume terms.

One possible reason for the buoyancy of imports, especially of consumer goods, is that tax rebates gave a boost to pay packets in October. Many importers may have stepped up their supplies in anticipation of this.

One slimmer of good cheer comes if exports volume in the last three months after adjustment is compared with the first half.

This shows a rise of 41 per cent. However, exports were particularly depressed earlier this year. The strong pound has probably hit exports over the past few months, as British competitiveness has deteriorated sharply.

The foreign exchange markets were surprisingly little affected by the bad trade figures. Sterling dropped slightly at first but then recovered, closing up at 2.1135 against the dollar, but down 0.3 to 67.7 on the trade weighted index.

The disappointing trend for exports was confirmed in the latest survey by the Department of Trade which predicted that export volumes might fall between the second half of this year and the first half of 1980.

Britain's overall current account traditionally used to be improved by a large surplus on invisible items, such as services, tourism and some government transactions. However, this surplus has now dwindled, largely because of Britain's contribution to the EEC.

Officials now estimate that the invisible account is in broad balance, and has been since the second quarter of this year. The huge payments to the EEC help to outweigh the surplus on private sector exports.

For much of this year the payments figures have been improved by a large volume of computer departments. The latest figures are considerably revised and give more detail for the past months this year than had been published previously.

Imports have been revised downwards by £250m for the first nine months of the year. Tables, page 26

Two of City's top stockbroking firms to merge in new year

By Alison Mitchell

Two of the City's top stockbrokers, Greaveson, Grant, and I. and A. Scrimgeour are to merge.

Although exact details of the merger—the largest ever in the City—have still to be finalized, the two companies are confident that talks will be successfully completed early in the new year. Negotiations have been in progress since the beginning of August.

Mr Andrew Rutherford, senior partner of Greaveson, said yesterday that the merging of the two firms, whose activities are largely complementary, will result in an organisation extremely well-placed to take advantage of the changing Stock Exchange environment to be expected in the 1980s. "We are expanding our contracting", he added.

Greaveson currently has 46 partners and a staff of more than 400, while Scrimgeour has

22 partners and 150 employees. Mr Rutherford, who is to become senior partner of the new firm, anticipates that it will have a combined partnership of around 80.

Although both sides claim that there will be no redundancies at the top end of the City, opinion tends to be more sceptical. After the Carr, Seaberg merger in September around 20 per cent to 30 per cent of the staff was laid off of which only about a third have found other employment.

Both firms are currently trading profitably. Scrimgeour, which is a company rather than a partnership declared pre-tax profits of £200,000 in the year to end September 1978, and Mr Hugh Ross, chairman, forecast that the 1979 total would be "not much different".

Greaveson's half year ended in October and, although no figures were mentioned, the firm claims to be having "an extremely good year" and an-

icipates profits "significantly up" on last year.

Greaveson sees the merger as strengthening its corporate finance and research side, while, for Scrimgeour the merger will come in the overseas market. Greaveson has a presence in Japan and is a member of the Mid-West Stock Exchange in America.

Mr Rutherford commented: "We are looking ahead to the 1980s, not for survival but to lead the way. This was underlined by Mr Ross who said: 'There could be a rough ride for our profession in the 80s. It is better to merge now than later.' Some years ago Scrimgeour decided to disband its network of country affiliates."

It is expected that the new firm will become a partnership rather than a company. However, this could prove difficult because of participation problems among its employees.

Financial Editor, page 25

US insurance group takes stake in Minet

By Richard Allen

Insurance Correspondence: Shares in Minet Holdings, the insurance broker were suspended yesterday on news that American group, Corroon & Black had acquired a near 5 per cent stake in the £12m (E24.2m) company.

Corroon, the fifth-largest insurance broker in the United States with premium revenues last year of \$12m (E24.2m), has been discussing a premium pooling and profit-sharing arrangement with Minet since the beginning of this year.

Mr Robert Corroon, Corroon's President, last informed Minet that the investment by his group should "greatly solidify" its increasing professional relationship with the British company.

B. E. Chaplin, Minet's Company Secretary, said yesterday that he had asked for a stockmarket suspension until Monday morning so that shareholders would have time to consult their professional advisers.

Having built up its 4.6 per cent stake over a period of three weeks with quiet market purchases Corroon has said that it intends to increase it by buying in the market "over a reasonable period of time".

At the suspension price of 99p, the 20 per cent stake in Minet would be worth just under £20m, although Minet's shares are heavily in demand at a premium of several pence.

Corroon's move is believed to have been spurred by a sharp drop in Minet's share price since it announced a sharp drop in pre-tax profits from £7.8m to £4.9m.

The link-up between Corroon and Minet, the latter in a long series of planned transatlantic profit-sharing arrangements which was sparked off by United States broker Frank B. Hall's takeover of Leslie & Godwin.

British firms rely heavily on insurance business from United States brokers mainly for ferrying to the Lloyd's market, which allows only accredited British companies inside its doors. Minet itself obtains 45 per cent of its premium income from the United States groups like Corroon.

The Frank B. Hall takeover precipitated major changes in the channelling of American business into a London and secured other Lloyd's brokers to look to security of supply through exclusive and official links with their American clients. The most spectacular effect was the decision of Sedgwick, Fox and Black, former to join forces last year and form a pooling arrangement with American group, Alexander & Alexander.

At the moment the United Kingdom's second biggest broker, with a position scheme with the United States number one, Marsh & McLennan.

Average earnings steady as prices surge ahead

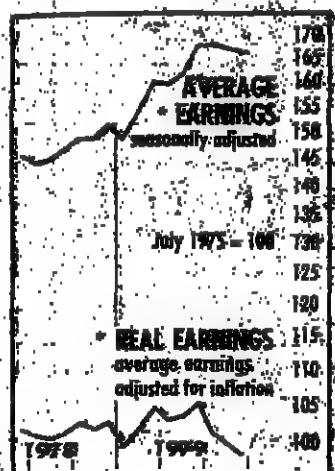
By Our Economics Staff

Average earnings rose only fractionally in September, with the Department of Employment's index for the whole economy rising to 133.5 from 133.3.

The annual rate of increase in the previous 12 months fell to 14.4 per cent from 15.4 per cent in August. But the figures were heavily distorted by the impact of the engineering strike and the underlying trend of earnings increase is thought to be around 16 per cent and rising.

The drop in earnings in September means that pay has fallen behind prices since the summer, partly because earnings have been held down by lack of overtime caused by the engineering strike and partly because inflation has been very rapid as a result of the increase in value added tax.

There has been a tendency in recent years for the annual



rate of increase in wages to tend to rise throughout the pay round.

Peking sets a businessman to catch businessmen A 'capitalist' corporation for China

The employment of 63-year-old Rong Yiren, a top capitalist to help the Peking Government attract capital from overseas symbolizes something new for China. But the emergence of Rong, after brutal treatment at the hands of the Red Guards in the 1960s and then years of enforced obscurity, emphasizes the contrast in China's social structure and the tremendous strides the country has yet to take.

In a land where the average worker earns about 535 a month, Rong enjoys a life style not unlike the wealthy anywhere. His is a world of a large modern house with servants, chauffeurs and gardeners, a flock of aides and secretaries and of hobbies like collecting expensive cameras and growing roses.

This summer the Chinese Government named Rong to head a quasi-government company whose purpose is to match foreign investors with a multitude of Chinese organizations and agencies anxious to acquire capital and technology.

Rong's friends say he was the only man the Government could find with the ability and

experience to bargain with capitalist investors. More cynical observers say the Chinese are using a variation of an old ploy by setting a businessman to catch a businessman.

Rong's organization to attract foreign capital is called China International Trust & Investment Corp (CITIC). Its initial function is to try to bring some order to the crazy pattern of foreign investment in China that has developed in the brief period since the country's turn towards more pragmatic trade policies. In the past, foreign investors have been dealing with various ministries, trade corporations, provinces and municipalities, most often in setting up compensation-trade agreements under which Chinese factories produce goods for foreign companies.

Although future foreign investors won't be required to work through CITIC, it will be much faster and less complicated if they do, Rong says.

Already CITIC says it has signed agreements with four companies, three American and one Swiss, for proposed joint ventures. The only one to be made public to date is an agreement with E.S. Pacific

Corp. of San Bruno, California. The concern says it will invest \$150m in several ventures in China, possibly in such areas as mining and basic industries.

But whether China will really allow foreigners true management freedom has yet to be seen. It is allowing companies to send their profits home, but foreign businessmen are asking if they will be allowed to hire and fire Chinese workers. In the past, China has provided its workers with absolute job security regardless of their performance. But, Rong insists, China wants to learn from foreign managements and "both sides will be involved in making decisions".

No one doubts that Rong has both the power and the prestige to make the way to hire and fire smooth for foreign investors in China. Although his status as the head of China's first "capitalist" organization is somewhat blurred, some sources place him at the level of a government minister. In fact, one of his subordinates is a former vice-minister of foreign trade.

Frank Ching—

AP-DJ in Peking

WOOLWORTH Interim Report

Nine months ended 31st October, 1979

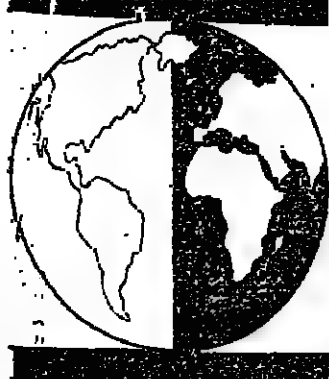
12 months ended 31st January, 1979		9 months ended 31st Oct 1979	31st Oct 1978
£000's		(unaudited)	£000's
823,392	Turnover (excluding value added tax)	800,415	558,608
64,474	Trading Profit	36,931	31,187
53,104	Profit before taxation	24,174	23,034

● The lower levels of turnover referred to in the six months' statement subsisted through the quarter. The lack of commercial television advertising during this quarter has had an effect upon turnover performance.

● At the end of the quarter there was evidence of recovery in consumer spending and we still expect a more buoyant situation to develop in the period to Christmas.

● The figures shown and the result for the period are not readily translated into U.S. terms due to the required application of U.S. accounting principles.

مذا من راصم



Consumer prices accelerate in OECD

Consumer prices in the 24 member countries of the Organisation for Economic Co-operation and Development rose 1 per cent in September, compared with a growth of 0.6 per cent in August, and 1.2 per cent in July.

Over the six months to September, the increase was 12.3 per cent, and for the 12 months it stood at 10.6 per cent, up from 10.3 per cent a month earlier. The rise largely reflected higher energy costs, while the behaviour of food prices exerted a moderating influence, the OECD said in Paris.

Among the largest countries, Germany experienced the lowest price increase in September - 0.1 per cent - partly due to lower spot prices for oil products.

China TV output

China produced 1.01m television sets in the first 10 months of this year marking a 160 per cent increase over the same period last year. The New China News Agency said in Peking that the plants making equipment for the military switched to meet rising demand. Most of the sets made were black and white.

Alfa Romeo expansion

Alfa Romeo SPA is thinking of building a small new manufacturing plant in southern Italy near Naples despite the chronic problems of its existing factory there, it was reported in Rome. Ettore Massaccesi, chairman of the state-owned company, proposed a new installation as a sweener in current talks with unions on how to raise productivity.

Steel production up

Japan's crude steel production in October rose 5.2 per cent to 9.70m tonnes from 9.22m in September, and 7.2 per cent from 9.05m a year ago, the Japan Iron and Steel Federation said in Tokyo.

Strike end in sight

The bitterest current industrial dispute in France, which has closed the Alstom-Atlantique engineering plant at Belfort for the past seven weeks, may at last be nearing a settlement.

Britain's wool textile industry could be 'extinct in two years'

By Ronald Kershaw
Britain's wool textile industry sees itself as "on the brink of disaster", and could disappear within two years, said a spokesman for the industry's 52,000 workers last night.

Mr Eddie Haigh, of the National Association of Unions in the Textile Trade, said the industry was bitterly disappointed at the Government's rejection in Tuesday's textile debate of Opposition demands for some form of assistance.

Mr Haigh said the industry had lost 7,000 workers in the past year, and it was estimated that 50 per cent of the companies in wool textiles were on a "careless" working compensation or temporary employment subsidy.

All were working well below capacity, demand having fallen as a result of low oil imports and unfair trading competition generally.

"In the last few months, the industry has started dying on its feet", he said. In the past 10 years it had rationalized, modernized, and reorganized at all levels. Productivity had increased dramatically, and still it could not compete with east European countries whose textile industries were heavily subsidized.

Mr Haigh said there was the added problem of Spain, Greece and Portugal joining the EEC. All are large, low-cost textile manufacturing countries.

In Britain, textile wages were 18 per cent below the national average, but overseas textile workers were on almost starvation wages. Looming large was the problem of the so-called Mediterranean assisted countries like Morocco, Tunisia and Egypt.

"We feel the EEC are really saying that the textile industry should move away to the under-developed countries."

"We are talking about 750,000 jobs which must be the fourth or fifth largest manufacturing industry in Britain in employment terms, and we are asking what is to be done about all these jobs."

"We shall have an economic desert in west Yorkshire, the borders and the west of England if the fabric of the traditional textile towns is destroyed."

On the export front, Mr Haigh said North America's high tariffs, around 40 per cent on wool textile imports, were crippling while goods entered the EEC at 13.4 per cent.

The American subsidy on oil meant that manufacturing costs were lower, and United States products (carpets) were the main concern could be sold in Britain cheaper than we could manufacture them.

Writ issued over travel advertising

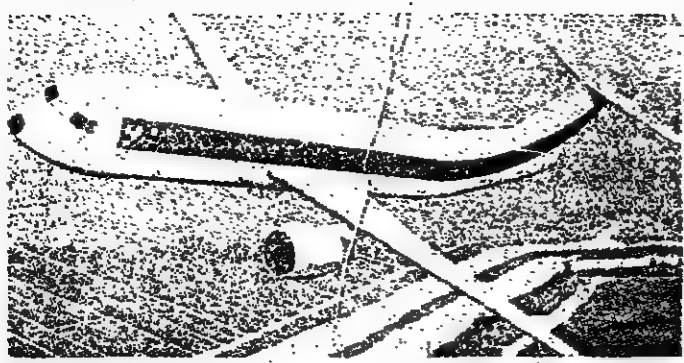
By Edward Townsend

Controversy in the United Kingdom travel industry over the growing number of direct-sales package-tour companies came to a head yesterday when Inntasun issued a High Court writ against Portland Holidays, the newly-formed direct-sell subsidiary of Thomson Travel.

The move follows the launching of Portland's advertising campaign claiming that its holidays, which customers book direct and not through a travel agent, are on average 10 per cent cheaper than those offered by "conventional" tour operators.

Portland has told the authority that all its advertisements will now carry a guarantee stating that, if a customer takes a Portland holiday which has cost more than 90 per cent of the current price of an exactly comparable holiday offered by a conventional operator, Portland will refund the difference.

Inntasun, however, has remained unconvinced. The writ is expected to be served today, and claims damages for "injurious falsehood" and a claim for an injunction "in respect of the publication of certain advertisements" by Portland.



An artist's impression of Fokker's planned 130-seater F-29.

Fokker looks to Japan

By Arthur Reed

Air Correspondent

Mr Frans Swartouw, director-general of the Amsterdam-based aerospace company, Fokker, is due in Tokyo with members of his board this week for talks which could lead to the Japanese becoming risk-sharing partners in a new Fokker airliner project, the 130-seater F-29.

Fokker has now gone a long way towards the final design of the F-29, the main change from previous designs being the placing of the two engines under the wings rather than at the tail. The engine will be the CFM-56 being jointly developed by General Electric in America and Saab in France. It has just been granted a type certificate by both

American and European standards.

As well as the Japanese, who would make the wings, other manufacturing partners are being sought by Fokker, including aerospace companies in Britain. Fokker already has strong manufacturing links with Short Brothers in Belfast.

Discussions have already begun with Boeing, of Seattle, on a contract for the supply of fuselages from its successful 737 airliner for incorporation into the F-29. Sales teams from Fokker are scouring the world for customers. The decision on whether to go ahead with the project will depend on whether enough buyers and suitable manufacturing partners can be found.

'Tom Thumb' industries for North West

By R. W. Shakespeare

Think small has become the new watchword for many of the hard-pressed industrial areas of the north west, and in some parts of the region, which is battling against unemployment figures running at more than twice the national average, the new strategy includes putting up what are already being officially described as "Tom Thumb" factories.

Faced with the harsh reality that attracting major investments is likely to be no

more than a pipedream, for some time, industrial development agencies are turning their attention to generating new industrial activity within the region itself.

The emphasis is on small and medium-sized firms right down to the individual with a good idea who is looking for the chance to start up on his own.

The "Tom Thumb" factory plan comes from Warrington New Town, in Cheshire, where the development corporation yesterday launched a special

six-month building programme aimed at bringing in at least 70 small and medium sized firms - double the number already there.

The "Tom Thumb" units of only 950 square feet will be the smallest factories ever built by the corporation.

To encourage them the corporation is holding down rents in some cases to £2 a square foot.

Oldham, in Lancashire, will also concentrate on the creation of very small factory units.

Directors spell out 'insider' law fears

By Patricia Tisdall

Management Correspondent

Concern about Government moves to discourage "insider dealing" were expressed by the Institute of Directors at a meeting with Mr Reginald Rye, Under Secretary for the Department of Trade yesterday.

The IOD is worried that the proposed amendments to the Companies Bill could prevent directors from legitimately trading in their own company shares.

While welcoming the intent behind the legislation, the IOD is anxious to ensure that incentives for directors to improve the financial performance of their companies is not impaired.

In particular it is keen that the drafting of the legislation does not discourage companies from going public.

The IOD is also concerned about other proposed changes to company law. Mr Walker Goldsmith, the director general, said yesterday that it would resist legislation intended to "force non-executive directors into the boardroom". The IOD believes that non-executive directors can only work effectively if their presence is not compulsory.

Mr Goldsmith was presenting a report just completed by consultants Booz-Allen which shows that non-executive directors make their main impact behind-the-scenes in informal and private discussions rather than in the boardroom itself.

The main ways they can contribute are in assisting in the future direction and strategy of the company; helping to ensure that the company's financial position is sound; and improving the performance of the chairman and executive directors.

The report throws considerable light on the shadowy area of remuneration of non-executive directors. Most companies pay a fixed annual fee, but it seems that the amounts can vary widely. In some nationalised industries, the non-executive directors are paid a salary.

However, the general level is in the range of £2,000 to £5,000. The fees paid by a merchant banker serving as a non-executive director are invariably paid to the firm and not the individual.

Booz-Allen suggests that those companies which relate the salary of the non-executive director to the salary of the chairman at 10 per cent of the chairman's salary have found a formula which seems fair to most people.

But the IOD's view is that remuneration should relate to the amount of time and skills devoted to the particular appointment.

The report found that most non-executive directors spent around 10 per cent of their time on the job over a two days a month with the company.

LETTERS TO THE EDITOR

An admission of defeat on money management?

From Mr Richard Lamb

In his Guildhall speech, the Prime Minister said: "new financial techniques interfere with money management". Is this not an admission of defeat? In their election manifesto the Conservatives rejected wage and price controls and promised to keep down inflation by controlling money supply.

At her press conference to launch the manifesto, when challenged how a Conservative government could control money supply without increasing interest rates, Mrs Thatcher said: "The Government is not going to use physical means to control money supply without pushing up interest rates. Clearly the Government now find this impossible."

The "corset" intended to stop banks lending too freely is ineffective. In the sophisticated London money market, whenever clearing banks are in danger of entering the push-out zone they push out their paper to the discount

houses, and now with no change controls they can now row abroad to lend in Britain. Courageous, the Prime Minister sticks to her guns on money supply, but with interest rates as her only weapon we are in for a long bleak period of sky high rates and consequent more bankruptcies; while, unfortunately, there is as yet no evidence that shortage of money in the system will compel firms to abandon inflationary wage claims.

Yours truly,
RICHARD LAMB,
Knighton Manor,
Broadchalke,
Salisbury,
November 13.

Materials tax would impoverish nation

From Mr H. H. Mainprize

Sir, In his letter under the heading "VAT no longer an appropriate tax for the Community" Mr Lessey proposes a "raw materials tax". He argues that it is illogical, in times of high unemployment, to tax labour and that therefore there should be a switch to tax on materials. Apart from the fact that we had just this sort of taxation in this country from 1940 until 1972 - it was called purchase tax and a very unsatisfactory tax it was - Mr Lessey does not tell us how he would make up for the revenue lost by the abolition of VAT in favour of a materials tax with its taxing materials at an impossible rate.

The idea of a materials tax as the only form of indirect taxation is completely half-baked and, apart from the very obvious drawbacks, such a tax would result in a massive increase in the cost of manufacturing exports which in turn would lead to increased unemployment and balance of payments deficits.

Yours faithfully,
HUGH MAINPRIZE,
7 Prince Edward Mansions,
Hereford Road,
London W2 4EN.

From Mr Louis de Pinna
Sir, The time-honoured and well tried land value tax eminently fulfils Mr Julian Lessey's prescription ("VAT no longer an appropriate tax for the Community") - Lessey, November 13).

I am, Sir, Yours etc,
LOUIS DE PINNA,
9 Stone Buildings,
Lincoln's Inn, London WC2A 3TA.
November 13.

Telephone meters cannot be checked

From Mr Barry Hertzog

Sir, I was very interested in Dr Rudd's letter (November 13) exposing incorrect telephone bills.

I was billed with an astronomical high telephone account at the beginning of the year of some £200, and on querying it and protesting that such a high amount was impossible, was disconnected by the Post Office. They claimed that the meters were inoperative and that there was no way in which subscribers meter readings could be inflated.

I expressed concern as it is the only routine service meter which cannot be checked by the consumer himself.

Still, under protest, the account was paid in full, and when the telephone was reconnected it was put on a "one-way system" - i.e. "solid" take incoming calls only. This means that one has to consider the importance of a call very seriously before deciding to take a car or walk to the nearest telephone box to make an outgoing call.

Imagine the surprise last week after some seven months of no telephone bills, receiving one's first bill on the "incoming calls only" system: metering calls at £42.

Just how many consumers are being billed with totally fictitious amounts and what simple checks are available to the ordinary consumer?

Yours faithfully,
BARRY HERTZOG,
Sands Park,
Surrey.
November 13.

Industry still contracting in shift from cross-ply to radials

Firestone to close Brentford tyre factory

By Edward Townsend

Firestone Tyre and Rubber's decision, announced yesterday, to close one of its two United Kingdom factories and almost halve the workforce, has come as another sad reminder that the depressed British tyre industry is still contracting.

In recent years, the industry has experienced a decline brought on by the alleged dumping of East European tyres and by the big shift in the market away from cross-ply tyres to radials. The latter was once described by an industry expert as "the tyre that lasted a lifetime".

Cross-ply tyres, in fact, dominated production at the doomed Firestone plant at Brentford, London, a 51-year-old factory that has outlived its usefulness and clearly has contributed to the United States company's losses in Britain. There are in-corporated into Firestone's overall European results but were said yesterday to be several million pounds in the past year.

The Brentford production is to be concentrated at the company's newer plant at Wrexham, North Wales, which was built in 1968. Mr Gordon Weber, managing director of the United Kingdom company, said that the Brentford operations would be phased out within the next 90 days.

About 1,500 Brentford workers will lose their jobs and discussions are to take place with the Government and unions over redeployment and redundancy arrangements. The cutback will leave Firestone with about 1,900 production workers, sales, administration and retail staff in the United Kingdom.

In a letter to workers, Mr Weber said that detailed examination of all possibilities had taken place. "Following completion of the options, the company has concluded that the Brentford plant cannot be made viable."

A year ago Firestone went to the Department of Industry seeking assistance to weather the depression in the tyre market. Private discussions were unsuccessful and the company was unlikely to have received a more favourable answer from this Government.

Firestone's decision to close the Brentford operation will come as no surprise to those in the United Kingdom industry who more than a year ago were predicting a big contraction.

In January this year Dunlop, the biggest British-based manufacturer, announced a cut in its workforce of 1,100 from a total of 11,250 and the closure of the

company's second largest plant at Speke, Merseyside. Dunlop said that the £10m dip in its taxable profits for the first half of 1978 had been accounted for entirely by the downturn in the tyre division.

Dunlop, and now Firestone, are placing much greater emphasis on steel-braced radial tyres. Radials are now fitted exclusively by car manufacturers, with cross-ply selling only to a small percentage of replacement market.

Cross-ply declined rapidly in popularity about three years ago and now account for only 15-17 per cent of the replacement market.

Dunlop was forced to rationalise its total European operation and similarly Firestone in the United States said yesterday it planned to realign its European strategy.

The profit of the Group for the half-year to 30th September, 1979, was slightly less than that earned in the same period last year.

Financial markets have again been dominated by erratic movements in exchange and interest rates. After a very sharp increase the pound has now returned, both in dollar and trade-weighted terms, to its level in April, whereas interest rates, both here and overseas have risen steeply and continue to do so.

The Banking Group has found increasing pressure on interest margins while demand for its credit facilities in the United Kingdom has not reflected the high levels reported for the banking system as a whole. It anticipates, however, that the abolition of exchange controls will give rise to useful business in the future.

Profit of the Insurance Group earned in the United Kingdom on both home and overseas business showed an increase but this was offset by a decline in that earned by its subsidiary companies abroad.

Dividend limitation having lapsed, the Directors consider that an increase to a higher level would be appropriate. Economic prospects are not clear, with inflation remaining obstinately high, and the Directors cannot forecast an increased profit for the year as a whole. Nevertheless, and subject to unforeseen circumstances, they intend to recommend dividends for the year totalling 13p per share (10.607p) which, at a tax rate of 30 per cent, would have a gross equivalent of 18.57p (15.44p). This would represent an increase of approximately 20 per cent.

An interim dividend has been declared for the year to 31st March, 1980, of 5.5p per share (4.5p), which is equivalent to a gross dividend of 7.86p (6.72p), and will be paid on 11th January, 1980 to shareholders on the register at 30th November, 1979.

15th November, 1979

Founders Court, Lothbury, London EC2R 7HE



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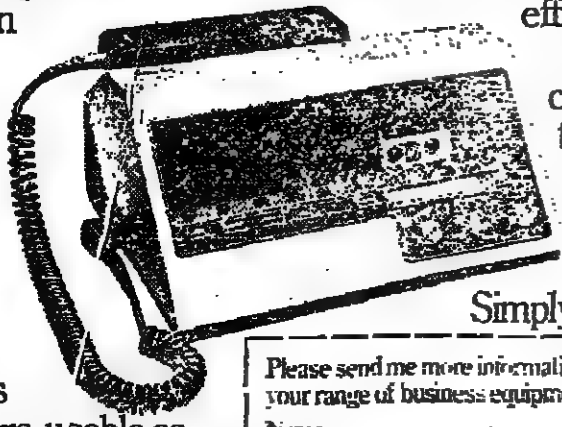
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BY THE FINANCIAL EDITOR

Arbitraging in Unilever

ends at Unilever have been uninspiring. Figures for the third quarter show sales 10 per cent ahead in value terms, but a mere 1 per cent up in volume. With the loss of Macmarket sales cancelled out by a full quarter's contribution from National Starch, the United States, the principal determinant of the level of sales has been the sluggishness of the market for edible oils, particularly in Germany.

Margins have suffered in consequence of the contribution from associates down from £18.4m to £10.2m—largely in consequence of the Nigerian decision to impose rigorous import controls—pre-tax profits are a mere 7 per cent ahead at £1.3m in spite of the inclusion above the line of an exceptional profit of £3.3m arising from the exchange of Macmarket shares for a 1 per cent share in the new food retailing company formed with BATA.

With nothing to suggest that the trading book will improve significantly, either in Europe or Nigeria, within the current quarter, it looks as though profits for the year are likely to come out in the region of £650m pre-tax, as against £622m last year.

However, with a company the size of Unilever, surprises in the profit performance are not to be expected. They are more likely to be bound to reflect the sluggishness in the expansion of the world economy. More important for the share price performance, this case, will be decisions on dividends left practically unchanged at the nine pence rate—and the possibilities for arbitraging between the shares of Limited and NV.

Unilever argues on the dividend that the just payout reflected payments withheld during the years of dividend control, and at any case the equalization agreement with its Dutch parent, Unilever NV, is significant before the year end. That didn't stop the shares from dropping 4p to 453p, where the historic yield is just under seven per cent. Though high relative to Unilever's stock yield, the fact the institutions can now switch to purchase of the cheaper NV shares is likely to inhibit any increase in a price.

Iran's debt under control

he United States/Iranian confrontation, which shows every sign of intensifying further, raises two key questions for financial markets. Potentially, the most serious is whether Iran will switch what dollars it has to its disposal into other currencies. The other is whether Iran's willingness to service its United States bank debt will now be in doubt.

To date there have been no serious debt-servicing problems. Earlier this year there were delays in payment, but these were administrative hold-ups brought about by strikes and staff shortages. Since then, payments have moved back to normal.

Iran is unlike other developing countries in that its bank indebtedness, in the terms of its bank indentures, is in the most expensively placed between 1976 and 1978 Iran borrowed an estimated \$4,500-\$5,000m in the Euro currency markets, chiefly through medium-term loans which United States banks played a dominant role.

Allowing for repayments, however, £600m (the first half of this year alone) Iran's total bank calculated in July that total debt to foreign banks was down to \$3,800m, a further \$800m would be repaid in the second half of this year.

Throughout its period of hectic borrowing, Iran continued to be a net surplus country. The purpose of the borrowing was to smooth out a short-term spending gap and introduce various government-backed borrowers to the markets than to any underlying deficit.

There is, therefore, no question of Iran needing further immediate foreign loans, even that expenditure, as well as revenue, has fallen this year.

That leaves the question of whether, for political reasons, Iran may choose to default its borrowings from United States banks. It is even if it wished to do so its scope would be limited. Syndicated loan agreements do not allow for default, and the decision between different bank participants is a loan, and since the bulk of recent Iranian borrowings has been widely syndicated, Iran would have to risk a stand-up with banks of other nationalities.

Putting together a corporate stockbroker firm and a large partnership is not going to be easy, so the idea of merging Scrimgeour and Co. with Grant could still founder. If it does come off though it will be the largest stockbroker merger so far, though its significance will be seen in the fact that it comes so soon after the amalgamation of two other medium-sized houses, Joseph Sebag and W. Carr.

It is of course rare that the merger of two stockbroker firms produces more business at the end of the day, but strength in depth and greater sophistication may ensure that a firm gets a better slice of the available business in the hotly competitive and changing climate which everyone envisages for stockbrokers in the 1980s.

The immediate pressure on many brokers is that volume in the stock market is relatively low at a time when costs are rising rapidly and commission rates are fixed and static. The era of fixed commissions may change of course at the hands of the Restrictive Practices Court, but that is not going to happen for some time yet.

Meanwhile, it is "The Stock Exchange" which will address itself to fundamental issues such as the adequacy of the jobbing system and the increasing pressure from many brokers, especially after the abandonment of exchange controls, to deal directly outside the market.

Brokers like Grieverson (strong in equities and with a particular niche in the handling of private client business) and Scrimgeour (with a reputation in gilt-edged, local authority stocks and corporate work) have acknowledged the prospect of rapid change in trying to get together. And for Scrimgeour, boxed into a corporate structure which causes some frustration among younger employees who want participation, there is the added advantage of becoming part of a larger partnership—if the accounts and tax experts can find a way through.

Fortunately they will be able to tackle such problems in a rather more restrained atmosphere than was the case in 1974 when the last rash of stockbroker mergers occurred. It says something for The Stock Exchange, that while accepting the inevitable contraction within the broking system it is working hard to try and ensure that the system is not dislocated in the process.

Woolworth Starting and stopping

Woolworth has again to be given the benefit of the doubt that the disappointing third quarter figures are not indicative of things to come. Most stores groups do not produce quarterly figures and this time Woolworth has been unlucky that its period to the end of October was about as bad as could be. Its pre-tax profits rose by less than £1m to £23.1m.

After the promise sales gain of just over a tenth (excluding VAT) in the first two quarters, the third quarter (ran slip into the VAT increases which stopped retail sales in the tracks while the period has seen none of the expected rise in consumer spending from the October tax rebates).

The result was a third quarter sales gain excluding VAT of only 3.1 per cent to £600m. Trading profit was in fact 15 per cent ahead of the nine-month average at £35.9m. But depreciation is up £1.1m to £7.7m owing to last year's heavy property revaluation while interest charges, rising steeply all year, jumped another £3m to £6.3m.

Higher interest charges explain some of the rise but the group's strategy to switch from low margin food lines into non-food products slows the stock-turn terribly and Woolworth admits it was stuck with high stocks in anticipation of a strong volume increase.

The silver lining is the upturn in sales volume already seen in the final quarter and a conviction in the trade that the switch into non-food lines is the right policy.

After the poor third quarter, full year pre-tax profit expectations are being eased back to £56-£58m where the prospective yield at 56p of almost 13 per cent, likely earnings of 8p a share, and a 6 per cent discount on net assets are pretty niggardly ratings in spite of the uncertainties.

The Tories are moving rapidly into the thick of their first economic crisis and I have to say that it brings with it a sense of relief.

I do not say that because I wish either the Prime Minister or her Chancellor ill. But simply because one has waited with a certain morbid fascination, one has to admit to see what would happen when the irresistible force, the wage bargaining process, started to close in on the immovable object, namely the Government's commitment to restrain monetary growth.

Now that the moment of truth appears to be on us, what is there to say? The first thing is that nobody can accuse the Government of having gone out of its way to make life easy for itself. For that it can be applauded, not one is chuckling, it can be lambasted as foolhardy.

The point, however, is that if you believe in a major switch in the economic policy, and the abolition of exchange controls, you must also be prepared to live with the consequences.

The consequence of the former is that wage bargainers are, in the main, concentrating their attention on the impact of the higher rate of VAT on prices rather than the effect of the Budget changes.

An important consequence of the latter—and it could be argued that many consequences flow from capital market changes and exchange rate policy to money supply, prices and wages—is that monetary control becomes difficult.

It is here that one comes to the crunch. The Government's economic policy, to put it at its simplest, is this: the Government will regulate the supply of money in the economy in a discretionary way, and adjust its fiscal stance to monetary conditions. The latter is the policy of the money supply, the former is the policy of the money price.

The logic of all that is clear enough. Over time the rate of increase in wages must steadily subside. Falling then, the number of bankruptcies, and unemployment must steadily rise. The assumption underlying all this, however, is that the Government can control the money supply.

All the evidence to date is that it is finding this no easy matter. The October money supply figures, to be published later today, are expected to show that, despite the tight, broad-based indicator of money, has recently been expanding at an annualized rate of around 14 per cent—some 3 per cent above the top-end of the Government's target.

Underlying rate

What is more, many monetary analysts would argue that the true underlying rate of increase is probably several per cent higher. All this in the light of the Chancellor's decision in June to raise the Bank of England's minimum lending rate to an uncomfortably high 14 per cent.

Now, there are all sorts of good reasons for taking the short-term money-writhers with a pinch of salt, and there are all sorts of other reasons, some better than others, for arguing that the Government should not be panicked.

The public sector borrowing requirement, which looks to be running rather ahead of target, may be over the hump; recent bank lending figures may have been badly distorted; long-term funding of the Government's debt in the gilt-edged market, as we all know by now, rarely proceeds smoothly.

Yet the fact remains that

Economic notebook

Moment of truth

bank lending to the private sector has remained unexpectedly buoyant and that ways have been found of arranging credit (not illegally, of course) outside the correct controls on bank lending.

In short, the corset and interest rates do not so far appear to be applying cash limits to the private sector in quite the way the Government must have hoped.

The reflex reaction to this kind of situation is normally to say the wage demands and the public sector borrowing requirement. It was clear in the Budget that fiscal and monetary policy were wisely matched this year, and there will doubtless be those who argue that the Chancellor should err on the side of caution over the rate of increase in the money supply. In the face of the present problem does it appear to be as much one of private sector credit demand as of the wage demands and the knock-on effects of higher prices as anything else. And as I have already hinted, one potential effect of the ending of exchange controls is that controlling the flow of credit to the private sector could become much more difficult.

In other words if sterling credit creation becomes more difficult in the domestic market, it is nothing, at least at the moment, to prevent either British or foreign banks developing the sterling credit structure offshore.

The Treasury, however, raises the question of how effective domestic controls, already rather frayed at the edges, can be. Logically, the same thought must also apply to any replacement controls.

Special deposits

The response here would seem to be that it is all a matter of degree. In other words, it is yet to be proven that offshore sterling banking will necessarily develop that fast or extensively, while it is still possible, provided the political will is there, to turn the monetary screw very much more tightly at home—simply, for instance, by bumping up special deposits and compelling the lender of last resort facility rather more toughly.

What the Government is going to announce today, and what measures it still has in its locker, remains to be seen. All the signs, however, are that it is going to continue to place heavy reliance on the interest rate weapon, the very weapon that has served it with only limited success to date.

It is worth noting in this context, however, that though hardly encouraging to do so, the Americans do at least have real interest rates now.

I am not suggesting that a significant real rate for M3—20 per cent—would be easily welcome here. But the Government undoubtedly has a monetary control problem and it must find an answer if its overall economic strategy is to remain consistent.

It may be, in fact, prove that the domestic credit creation on the domestic front will create other undesirable complications and inconsistencies particularly in terms of capital flows across the exchange.

It may even prove that the Government will be forced to rethink its whole approach to incomes policy—something that will doubtless comfort those who find enormous comfort in the Government's policy of a further three or four years devoted to little more creative than an effort to rein back the rate of nominal wage increases by a policy of gradualism.

The use of "reform" suggests that the cure can be effected by some process of reshaping the whole of the Community's economic policy, a process which more drastic solution is required.

The issue is examined by Professor Tim Josling in the first chapter of his book, published today, on EEC economic policies. He points out that recent experience has shown how countries with similar economic goals and at similar stages of development can exhibit conspicuously different economic trends.

Ratner is whipping up enough concern to raise doubts about the treaty's getting through unscathed.

I had a word yesterday with Hal Miller, the MP for Bromsgrove and Redditch, who founded the parliamentary Motor Industry Group after coming to the House in 1974 and is its chairman. Much of BL's Longbridge plant and 12,000 of the workers are in his constituency.

He surprised me by saying of the Rover workers found to have been sleeping on the job: "It is very unfair on them. What appears to have happened is that these people completed their task in half the allotted time, to the required standard and by a route which management had previously used."

"There was no incentive for these chaps. They couldn't be paid any more for doing more work because they're on measured day payment."

The Bank of France has a new governor to take over from Bernard Clappier, the incumbent for the last five years. He is one of the two former under-governors, René de la Genière, of the Banque de Paris.

For working purposes he will stick to being a mere Renaud de la Genière. Woul—an economist who knows how to economize on words.

Already the Washington

Why America froze Iranian deposits

New York
Shortly after 8 o'clock Washington time President Carter made his most decisive move yet in the worsening Iranian dispute when he froze an estimated \$5,000m of Iranian deposits held by United States banks at home and overseas.

The President acted under the rarely used International Emergency Economic Powers Act which enables him to take such action to deal with any unusual international threat to America and her economy.

Mr Carter moved when Abol Hassan Bani-Sadr, the acting Foreign Minister of Iran, said that his country would immediately begin to withdraw some \$12,000m which it had on deposit with American banks both in the United States and in their overseas branches.

The United States Treasury had talked to the central banks of all the major industrial countries, including Britain, West Germany, and France and several of the less developed Eastern countries.

The Treasury realized that the main danger in freezing the Iranian assets was that it would erode confidence in the convertibility of the dollar and lead to a further run on the currency as other holders of funds panicked and tried to get their money out, which could be far more damaging than the threat of an Iranian withdrawal.

William Miller, Treasury Secretary, said the reaction from the central banks was favourable, and he singled out for special mention America's crucially important oil supplier Saudi Arabia. The leaders of the country had expressed sympathy with the American position.

The White House statement stressed that Iranian individuals would not be affected by the freeze, which means ironically that the Shah's own millions in the United States—a source of considerable revenue in the oil industry—will not be affected.

The freeze applies only to the deposits held by Iranian central banks, other banks and similar state entities like the Airline Bank of Iran.

The Treasury, supported by Wall Street analysts, says the Iranians have far less on deposit here than they claim. Official figures show that total Iranian external reserves in the United States were only \$11,000m spread throughout several banks.

While the exact total in the United States is unclear, it is probably around \$5,000m.

The White House announcement stressed that there was no concern in the foreign currency markets and Wall Street and the foreign exchange markets after early nervousness took the news relatively calmly.

reflecting the belief that it was a political rather than an economic move, and generally applauding the Administration's tough line.

Even if Iran's figures of \$12,000m were accepted, a Federal Reserve Board spokesman commented, it is trivial compared to \$148,000m of total foreign holdings.

The United States could have paid the entire sum back without flinching if it had wanted to, he claimed.

Commenting on the dollar's plunge abroad, one dealer said the market may be overreacting and that the dollar's mark-down was "precautionary" rather than as a result of a rush to sell. Even if it had withdrawn the funds the amount involved should not be large enough to

Even if Iran's figures of \$12,000m were accepted this is trivial compared to \$148,000m of foreign holdings.

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tries following Iran in trying to withdraw funds. "Anyone who says that now would be saying they were the Ayatollahs and against the United States. None of them want to make that stand," a Treasury spokesman said.

Dealers also took heart from the performance of the dollar market. The dollar, which was weaker, but this reflected speculative activity they said. If there had been a big withdrawal of funds by any of the oil countries this would have forced the dollar taking banks into the market and pushed up interest rates. The fact that interest rates had moved the other way had fallen a little suggested that there had been no big movements of funds out of the dollar, they said.

Robert Mintz, vice president for research at stockbroker Phillips Appel Walden noted that the Iranian demand was not all that simple and "showed the illiquidity in the banking system for such sums."

Mr Mintz also said that the Fed's early October policy actions were forced by the prospect that the Arab oil producer might withdraw as much as \$75,000m to \$80,000m in assets in the United States unless the dollar was strengthened.

For the Iranians to try to remove their dollar assets for political purposes is the monetary equivalent of their seizing our embassy hostages," said Mr. Henry Hauss, chairman of the House Banking Committee. It was necessary to protect the international dollar not only for the good of the United States but as a responsible member of the World community.

Though the banks may have avoided this run on their deposits they are still vulnerable through the commercial loans they have made to Iran. Chase Manhattan, Bank of America and Citicorp have been the biggest lenders with lesser amounts coming from Manufacturers Hanover and Chemical Bank.

Leslie Alperstein, director of economic research at Stockbrokers Bache Halsey Stuart and Shields says the total outstanding is between \$2,500m and \$3,000m. He said they could do to cover this exposure. "They could ask for it back. But they sure wouldn't get it," said Mr Alperstein.

The United States still has one big weapon left in what is the present crisis: an import of huge quantities of food, some 30 per cent of total requirements worth an estimated \$2,000m come from the West, with the American share put at least \$500m.

Already, 94,000 tons of grain have been shipped and Iran was also expected to turn to them for the bulk of the 500,000 tons of rice it needs. But the Administration is holding back, fearing an electoral backlash in farming states which stand to lose a market they have spent many years developing.

Anthony Hilton

CAP: the wrong kind of animal?

Hugh Clayton

"This again casts serious doubt on the very possibility of a common approach to agriculture," he writes, "or at least on the adoption of an approach which is 'federal' in the sense of being appropriate for the whole of the Community while such divergent trends exist."

Professor Josling, formerly of Reading University and now Professor of Agricultural Economics at Stanford, California, is also worried about the irreconcilable agricultural aims of the members of the EEC.

"Progress in developing the CAP can only attend the convergence of national views on agriculture, a process which has been undeniably slow over the past two decades," he says. He concludes later that the CAP went too far and too fast to be the goal of a common policy.

Professor Josling then falters. Instead of questioning the need for the very existence of the CAP, he takes the line of the realm of pure theory and tries to assess whether the policy would have worked had

there been the necessary harmonization of economic aims and conditions among member states.

Back in the real world he makes several well-argued suggestions for change in the Common Agricultural Policy. They include the need to protect consumers against high world prices of food, as well as farmers against low ones. He takes the Community to task for failing to make more use of world supplies when internal production falls short of demand and for adopting a selfish and parochial approach to food aid.

He wants the Community to make sure that in its policies for food prices "all the interested parties in the food system, the grower, the processor, the distributor and the consumer, can have confidence that the policies are both equitable and viable."

Unfortunately he ends there. He does not pursue his own argument to its logical end and ask the crucial question whether the rules and conditions surrounding the CAP are such that it can never produce the confidence which he seeks.

"Economic Policies of the Common Market," editor, Peter Coffey, The Macmillan Press, £12.

Business Diary: Terminological inexactitude • CBI subs up

poor Norman Payne, chairman of the British Airports Authority, as he looks on while Whitehall ministries tussle over the fourth terminal is needed at Heathrow if airport is not to seize up either early in the 1980s.

A public inquiry into the plans for a £110m building to cope with eight million passengers a year ran from December last year. The story's report went to Government Secretary Michael Heseltine in May this year. It hit battling about between Norman Tebbit, the secretary in charge of air at the Department of Transport.

Payne and the BAA been the nod last summer as the new building could be open by the summer of 84. Now there will be at least 30 million passengers will be swamping Heath-

row by Terminal Four. It won't be crammed into, and you won't have through that idiotic tunnel reach it as you do with three.

really is not good enough, clearly when you reflect Heseltine himself is a former Minister for Airports and Transport and Tebbit a former and BOAC pilot.

My friend, the Tory MP for Twickenham constituency, a jet-whine of Heathrow, down a question to the Commons about the fourth terminal, as merely given the brush-

The main contender for the chairmanship of Rolls-Royce, Sir Kenneth, is Sir Frank McKelvey, a former chairman of both Shell and British Airways.

Sir Frank was latterly chairman and chief executive of the airline, was a heart attack obliged him to hand over the latter post to Ross Stanton, an older man who had been with the airline all his life, having started before the war as a trainee with Imperial Airways.

In May Sir Frank bowed out altogether, sparking off rumours that the peppery knight was to become Sir Keith.

The euphoria felt by CBI members after the success of last week's conference and ahead of today's deliberations on strike insurance may be tempered by big increases in subscriptions that the council is likely to approve at an extraordinary general meeting next Wednesday.

More cash is needed to cover the cost of running 14 floors of Central Point, due to become the CBI's new headquarters this summer.

Much of the estimated £3.5m capital cost of doing up the Central Point premises will be met by the sale of the 125-year lease on the present headquarters in Tottenham Street, Westminster. None the less, provision for the Centre's 10th year, according to the finance and general purposes committee, will create a deficit of £650,000 next year, rising to £1.15m in 1981.

At first, it was thought that

Joseph's arch detractor, Sir Kenneth, has been uncharacteristically quiet since then but, health permitting, Sir Frank does seem to be heir apparent to Sir Kenneth's role of leading the country's only aero-engine company.

Sir Kenneth's resignation after seven years follows a row over the future control of Rolls with the industry and trade union members of the NEB.

Like Sir Kenneth, Sir Frank is a blunt chap and goes as good as he gets in exchanges with the equally plain-speaking leaders of British Airways many unions.

As if the American economy were not in enough trouble here on earth, sky-high interest rates and collapsing share prices, go-go businessmen there now face another threat—the Moon may no longer be safe for democracy.

The threat comes in an obscure treaty—the Agreement Governing the Activities of States on the Moon and Other Celestial Bodies—now inching its way through the United Nations. This seeks to develop the resources of space as "the common heritage of mankind," in particular to stop the kind of commercial exploitation which could mean the Moon a great slag heap in the sky.

To most people this might seem sensible enough, but to some business people it spells trouble along the last frontier, a cunning plot by the Third World and other lawless enterprises to free-wheeling free-exploitation of the heavens.

Already the Washington



Sir Kenneth

lobbyist Leigh Ratner, a veteran of the Law of the Seas battle, has been retained by the Arizona-based L-S Society, named after some point in space said to be ideal for human habitation.

Ratner is whipping up enough concern to raise doubts about the treaty's getting through unscathed.

I had a word yesterday with Hal Miller, the MP for Bromsgrove and Redditch, who founded the parliamentary Motor Industry Group after coming to the House in 1974 and is its chairman. Much of BL's Longbridge plant and 12,000 of the workers are in his constituency.

He surprised me by saying of the Rover workers found to have been sleeping on the job: "It is very unfair on them. What appears to have happened is that these people completed their task in half the allotted time, to the required standard and by a route which management had previously used."

"There was no incentive for these chaps. They couldn't be paid any more for doing more work because they're on measured day payment."

The Bank of France has a new governor to take over from Bernard Clappier, the incumbent for the last five years. He is one of the two former under-governors, René de la Genière, of the Banque de Paris.

For working purposes he will stick to being a mere Renaud de la Genière. Woul—an economist who knows how to economize on words.

Already the Washington

FINANCIAL NEWS AND MARKET REPORTS

Stock markets

Cheerless ahead of MLR

In conditions like yesterday's jobbers do not encourage a lot of business. They prefer to carry as little stock as possible, if only because the cost of overnight money to finance stocks is high and still rising. Ahead of today's package, share prices were marked down sharply and choked off a great deal of potential selling.

Dealers had all the incentive they needed from Iran's move to repatriate US dollars; press suggestions of Minimum Lending Rate jumping by as many as four points to 18 per cent; the miners' rejection of the National Coal Board's 20 per cent wage offer; a Treasury prediction of a fall in activity next year, even sharper than suggested by other forecasters; and a dismal October trade figures.

It seemed wiser yesterday to watch shares fall rather than buy them. But one to keep an eye on it is a narrow rally 1632 market—Gas and Oil. Acreage which has 5 per cent of the action in the London North Sea field. This is due to come on stream in six months or so when more news of the oil in it should be forthcoming. Morgan Grenfell leads a select group of large investors. The shares are 260p.

These figures were sufficiently dismal for sceptics of Government policy—it is now fashionable to say "monetarism is not enough"—to wonder whether any package introduced today will curb demand to the extent needed.

Physical and fiscal curbs would certainly help to support the thrust of monetary policy in the shape of penal MLR, but they would be distasteful to a Treasury team on the right of the Conservative party. Action to cut, rather than simply keep level, Government spending would be well received, but the market would probably want to see such cuts acting quickly which is not usually how they operate.

Institutions had further excuses for waiting until after the package before committing themselves and longer dated gilt edged suffered falls of up

to 12 points. Shorts fared better but losses of up to £1 were scattered throughout the list. Among loans, Treasury 8 per cent 2022-8 sank £1½ to £6½ while in shorts Treasury 12 per cent 1983 slipped £1.15 to £91½.

There was no joy in leading industrials either though the role played by dealers marking prices down should not be underplayed.

The FT index ominously steepened its decline as the day wore on. It was down 10.5 at 410, a drop of 3.2 per cent. The index has then gone all the way back to where it was at the beginning of March, 1977. It is also of course at a new 1979 low.

Blue chips lost the gains of the previous day. BAI led the way with a 10p fall to 245p closely followed by ICI 8p lower at 327. Pilkington Brother 7p to 253p after 248 and Glaxo dipped 6p to 397. Better-than-expected third quarter figures from Unilever had earlier falls and the shares finished 4p lower at 458p as did Rank Organisation at 184p and Beccams at 124p.

Average continued to lose ground in its fight to save of GEC losing 3p to 241p. GEC, however, shed 9p to 314p. The official offer document from

EMI did little for the shares which slipped 3p.

Among companies reporting Chubb & Son rose 4p to 100p following figures much in line with market estimates. Elsewhere, interim figures from Chamberlain & Hill left the shares 2p lighter at 48p while a profits setback at Porter Chadburn left the shares easier by the same amount to 5p.

In Electricals further reflection of Plessys sale of its Garrard to a Brazilian company saw the group shed 3p to 109p. Lower earnings at Chloride saw the price recede 2p to 75p. Royal proved another weak spot losing 4p to 212p.

Oils were subdued losing most of their gains from earlier this week. Among the North Sea shares looking easier were International Thomson 5p lower at 354p and Imperial Continental Gas 10p worse off at 576p. National Carbonising lost 6p to 106p after news of the sale of its transport subsidiary BP eased 4p to 358p in the ordinary as the new gave up 5p to finish at 156p. Shell with quarterly figures due today fell 8p to 320p and profit taking clipped 12p from Lasso and 10p from Oil Exploration leaving the shares to finish at 322p and 616p respectively. Tricentrol reporting next week

were another to finish 5p lower at 254p.

In a weak insurance sector shares of Minet Holdings were suspended 5p up at 100p after news that Caroon & Black planned to increase its stake to 20 per cent. Commercial Union slipped 3p to 122p after recent third quarter figures and General Accident lost 6p to 192p after reporting third quarter figures yesterday.

Down went S. & W. Berisford by a further 11p to 142p, influenced in particular by Gill & Duffus' forecast last month of a fall in 1979 profits. But S. & W. Berisford is about sugar much more than G. & D., which is thought to be doing well enough to be on a prospective price earnings ratio of 6.0. Final figures are due early next year. However the prospective 8.3 per cent yield is nothing special.

Gold shares were firmer after a weak start with gains of between 10 cents and 20 cents. Equity turnover on November 13, was £85.775m (13,839 bargains). Active stocks yesterday, according to the Exchange Telegraph, were, BAI's 32.8p, New Consolidated Gold Fields, European Ferries, GEC, ICI, Lasso, Marks & Spencer, Midland Bank and Shell.

Latest results

Company	Sales	Profits	Earnings per share	Dividend	Pay date	Year's price
ICI (1)	179(167)	21.5(21.1)	5.2(6.4)	5.5(4.5)	11/1	11/1
Chloride (1)	110(101)	1.7(1.5)	1.7(1.5)	1.7(1.5)	7/1/80	7/1/80
Chubb (1)	4.53(3.97)	0.23(0.32)	0.23(0.32)	0.23(0.32)	8/12	8/12
East Mid Allied (1)	16.2(12.6)	1.65(0.94)	1.65(0.94)	1.65(0.94)	7/1	7/1
English Nat Ind (1)	0.12(0.10)	0.09(0.07)	0.09(0.07)	0.09(0.07)	6/12	6/12
Guardian Ind (1)	1.6(1.3)	0.1(0.09)	0.1(0.09)	0.1(0.09)	13/12	13/12
Flight Refuelling (1)	7.2(5.8)	1.15(0.94)	1.15(0.94)	1.15(0.94)	18/1	18/1
John Fokes Hove (1)	36(31.8)	1.7(1.5)	1.7(1.5)	1.7(1.5)	31/12	31/12
Fulcrum Ind (1)	—	8.8(—)	8.8(—)	8.8(—)	18/1/80	18/1/80
Keyser Unimann (1)	2.973(2.018)	1.715(864)	3.39(1.3p)	0.5(—)	—	—
Lund & Lennox (1)	—	0.16(0.06)	0.16(0.06)	0.16(0.06)	—	—
Nelson David (F)	8.2(7.5)	1.2(0.8)	1.2(0.8)	1.2(0.8)	—	—
PHA Hedges (1)	7.35(7.05)	0.31(0.43)	0.31(0.43)	0.31(0.43)	4/1	4/1
Scott & More Ind (F)	—	0.45(0.37)	0.45(0.37)	0.45(0.37)	19/12	19/12
Unilever (1)b	2.731(2.480)	308.1(463)	22.64(21.64)	8.94(8.67)	24/12	24/12
Westward TV (F)	9.55(7.57)	6.79(6.11)	6.79(6.11)	6.79(6.11)	19/12	19/12
Wight Hedges (1)	4.25(4.89)	0.24(0.25)	0.24(0.25)	0.24(0.25)	—	—
Woolworth	600.4(558.6)	23.17(23.0)	3.68(3.88)	—	—	—

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.428. Profits are shown pre-tax and earnings are net. a Adjusted for scrip. † Dividend of more than 2p forecast. b 9 months.

UK TRADE

The following are the October trade figures seasonally adjusted and corrected on a balance of payments basis with allowance for known recording errors:

	Exports	Imports	Visible balance
1978:	35,432	36,807	-1,175
1978 Q1:	8,408	9,004	-596
Q2:	8,753	8,926	-173
Q3:	9,051	9,418	-367
Q4:	9,220	9,269	-49
1979 Q1:	8,332	8,911	-1,579
Q2:	10,547	11,261	-714
Q3:	10,746	11,057	-311
1979:	2,780	2,924	-144
Jan:	2,549	3,324	-775
Feb:	3,003	3,668	-665
Mar:	3,019	3,778	-759
Apr:	3,490	3,800	-310
May:	3,438	3,583	-145
June:	3,578	3,624	-46
July:	3,561	3,708	-147
Aug:	3,607	3,725	-118
Sept:	3,577	3,916	-339

TERMS OF TRADE

The following are the unit volume index numbers for visible trade seasonally adjusted and the terms of trade index, non-seasonally adjusted, issued by the Department of Trade yesterday:

	1975=100	Trade (last 12 months)	Terms of trade (last 12 months)
1977:	115.7	108.1	99.0
Q1:	118.0	108.8	100.3
Q2:	124.9	108.4	101.0
Q3:	124.9	102.6	102.4
Q4:	119.6	113.5	105.7
1978:	122.2	109.7	104.9
Q1:	124.8	114.9	108.1
Q2:	124.8	112.3	108.9
Q3:	124.8	112.1	107.6
Q4:	124.8	112.1	107.6
1979:	112.0	106.9	107.6
Jan:	100.2	116.8	108.1
Feb:	100.2	116.8	108.1
Mar:	100.2	116.8	108.1
Apr:	100.2	116.8	108.1
May:	100.2	116.8	108.1
June:	100.2	116.8	108.1
July:	100.2	116.8	108.1
Aug:	100.2	116.8	108.1
Sept:	100.2	116.8	108.1
Oct:	100.2	116.8	108.1

AVERAGE EARNINGS

The following are the index numbers for average earnings of all employees in all industries and services covered by the monthly earnings inquiry released by the Department of Employment:

	(1) Old series of average earnings (Jan 1970 = 100)	(2) New series of average earnings (Jan 1970 = 100)	(3) Change in earnings (1 over 2)
1978:	339.2	134.2	7.6
Sept:	344.5	135.2	14.3
Oct:	344.5	136.1	12.2
Nov:	350.1	138.0	13.5
1979:	344.7	135.7	0.2
Jan:	344.7	141.1	13.5
Feb:	344.7	141.1	13.5
Mar:	344.7	141.1	13.5
Apr:	344.7	141.1	13.5
May:	344.7	141.1	13.5
June:	344.7	141.1	13.5
July:	344.7	141.1	13.5
Aug:	344.7	141.1	13.5
Sept:	344.7	141.1	13.5

Strong third quarter but GA dips £2.7m

By Richard Allen

Insurance Correspondent

A strong third-quarter underwriting performance on both sides of the Atlantic has not prevented pre-tax profits at General Accident from dipping £2.7m to £62m at the nine months stage.

However, the group said yesterday that profits would have been £3.6m higher but for the effect of exchange rate movements. At the half-way stage GA's pre-tax profits were down 11 per cent at £31.8m. In the subsequent three months the interim underwriting deficit of £17.4m has been cut back to £13.3m with particularly good performance coming in the United States and United Kingdom.

Meanwhile, the group's investment income has continued to rise strongly increasing by 18 per cent over the nine-month period to £74.9m. With-out exchange movements the rise would have been 24 per cent.

On the United Kingdom underwriting front a third-quarter profit of £4m has reduced the cumulative deficit to £7m. Rate increases in February and August have helped produce a £1.8m third-quarter profit in the motor account and reduce the nine-month deficit to £3.2m. Meanwhile a small third-quarter profit in industrial fire accounts has offset a continuing deficit in homeowners business to leave losses on combined

property accounts unchanged at £6.3m.

In the United States the group managed a third-quarter underwriting profit of £500,000 despite losses from hurricanes David and Frederic, which are estimated to have cost GA around £2m. This improvement reduced the nine-month deficit to £300,000. Good results from the auto account in the United States have offset losses in liability and property business although GA states that the latter two accounts continued to perform well notwithstanding exceptional storm losses.

After a tax charge of £19.5m compared with £21.2m previously GA's attributable profits are down just £2m at £41.8m.

Disputes hit Chubb, but second half-year likely to pick up

By Rosemary Unsworth

Chubb, the security group, says its first-half profits fell back in line with City expectations after last winter's problems at home.

Profits for the locks-to-electronic cash registers, which fell back from £5.95m to £5m in the half-year to September 30, 1979. Turnover rose slightly from £106m to £110m.

Lord Hayter, chairman, said that the results reflected the aftermath of last winter's strikes, including the haulage disputes, and were subsequently accentuated by the engineering strikes. In addition, strikes in Canada, Italy and Belgium made their mark on overseas figures.

But the City responded to the board's hopes for considerably improved second-half results by providing that there is no further industrial action in the months ahead, by marking up the price from 95p to 100p during the day.

Profit on the group's home cash registers fell from £2.7m in 1978 to £1.9m. Part of UK's trading profit fell back to 13 per cent, while Chubb Fire, based in South Wales, saw a 28 per cent profit drop which was caused by interrupted deliveries



Lord Hayter, chairman of Chubb.

of extinguishers during the autumn's three-day week.

Chubb Electronics, formerly Gross Cash Registers, which the group acquired two years ago, also made losses in the first half with the introduction of a new model which resulted in a fall in demand for older lines, industrial action in Brighton and increased development expenditure. Chubb Alarms had indus-

First half slip in Chloride's profits

By Ronald Pullen

Hit by a clutch of adverse factors in a generally dulling climate, pre-tax profits at Chloride, the heavy battery group, slipped £12.1m to £11.6m in the months to the end September.

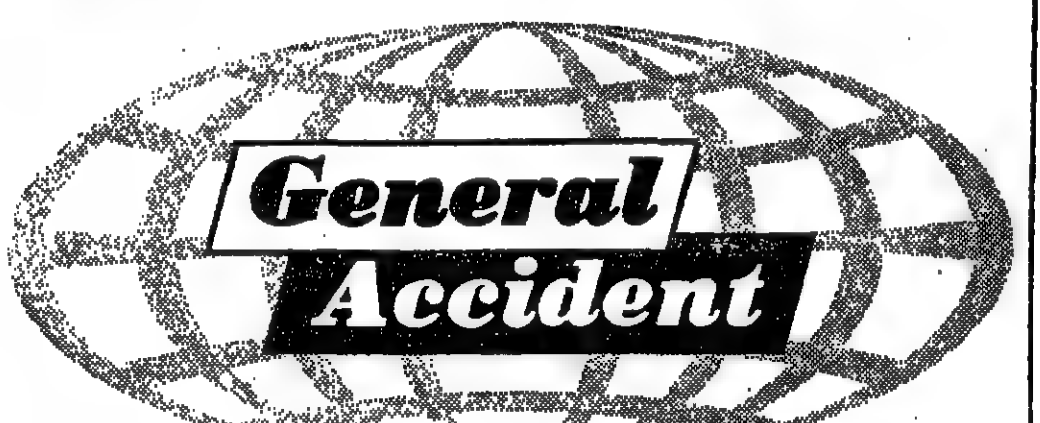
The sharp rise in the price, which averaged £3.18 a tonne in the first half as compared with £2.15 in the last year and continues to push up borrowings £20.22m in the first half, added a further £1.5m to interest charges. Stock falls from its lead held helped to sugar the pill a since this was worth some to profits.

Elsewhere, the strength of the export market, £800,000 while the transfer of overseas profits at another £600,000 from the home engineering strike, however, reduced profits by similar amount.

On the trading front Chloride lost no time in passing increased lead prices to customers and sales overall, although up 7 per cent to £179m money terms, were lower volume. In the United States industrial and systems businesses did well but the down in the car industry affected the automotive. All told, the United States formed well as did the overseas division, even Australia and South Africa.

Pre-interest profits, however, were down mainly due to the showing of overseas, notably Scandinavia, although automotive division maintained profits. And in the United Kingdom the industrial automotive sides suffered a slight decline.

For the second half with signs of any upturn in trade, Chloride is looking for a drop in second half profits from last year's £16.9m. Assured around £27m, the prospect is bleak, with the dividend by a seventh at the interim stage to 2.43p gross is likely to rise to 12.5p per cent.



Nine months' results

Interim Statement

The results for the nine months ended 30th September, 1979, estimated subject to audit, are compared below with those for the similar period in 1978, which are restated at 31st December, 1978, rates of exchange; also shown are the actual results for the full year 1978.

It must be emphasised that the results for the interim period do not necessarily provide a reliable indication of those for the full year.

	3 Months to 30.9.79 Estimated £ million	9 Months to 30.9.79 Estimated £ million	Year 1978 Actual £ million
Net written premiums—General Business	605.0	552.7	745.8
Investment Income	74.5	63.3	88.3
Underwriting Results—General Business	(13.3)	0.8	1.1
Long Term Insurance Profits	1.3	2.0	3.3
Loan and Bank Interest	63.5	66.1	91.6
Profit before Tax and Minority Interests	62.3	65.0	90.1
Taxation	29.5	21.2	29.7
Minority Interests and Preference Dividend	1.0	1.0	1.0
Net Profit attributable to Shareholders	41.8	42.8	59.4
Principal exchange rates used in converting overseas results			
U.S.A.	\$2.28	\$2.04	\$2.04
Canada	\$2.56	\$2.42	\$2.42

Net written premiums and investment income increased in sterling terms by 9.5% and 18.2% respectively. Adjusted to exclude the effects of currency fluctuations the increases were 14.0% and 24.0% respectively.

In the Third Quarter underwriting profits were earned in the United Kingdom (£4 million) and the U.S.A. (£0.9 million). There were satisfactory results in Canada and Australia also but further losses in Europe reduced the overall profit for the quarter to £4.1 million.

Net premiums written in the United Kingdom for the nine months were £263 million (1978, £214 million) and there was an underwriting loss of £7 million (1978, £0.6 million loss). A sound Third Quarter performance reduced the nine months deficit in the Motor account to £3.2 million but losses in the Combined Property accounts remained substantially unchanged at £6.3 million. Other major departments produced good profits.

In the United States net written premiums for the nine months were \$441 million (1978, \$407 million) and the operating ratio was 99.1% as compared with 98.2% for the same period in 1978. On the United Kingdom basis of accounting there was an underwriting loss of £0.3 million (1978, £1.7 million profit). Profits in the Automobile account continued to be offset by deficits in the Liability and Property accounts, although the latter account performed well in the Third Quarter despite the impact of windstorm losses.



General Accident Fire & Life Assurance Corporation Ltd

World Headquarters, General Buildings, Perth, Scotland.

Employees back board at Milford Docks

Employees of the Milford Docks Company have written to shareholders asking for support in a boardroom battle.

The letter, which is signed by about 85 of the 150 employees at Milford Haven, expresses concern at the prospect of a group of minority shareholders who want seats on the board. The employees say that the three people concerned, Mr Richard Eldridge, Mr Hugh Nicholson and Mr Edwin Barrett want to replace members of the existing six men board, who are seen as being 27 per cent of the shares.

"This could result in control of the Milford Docks Company passing into other hands who do not have the extensive and local experience of running and developing your company," the letter adds that the demand by the three minority shareholders is a humiliation for the board, which has preserved employment and improved turnover and dividends from 1966.

Mr Charles Smith, chairman, said that the letter was a "complete surprise" but he confirmed that an EGM, which had been requested at the beginning of the month, would be arranged shortly.

Bodycote offshoot still expanding

Taylor and Harrier Fabrics, a subsidiary of Bodycote Int, has continued its expansion programme by the acquisition of Saw Mill, part of the Chamberlain, Phipps group of companies. Saw Mill is engaged in weaving industrial fabrics at Great Harwood, Lancashire. The consideration for the purchase was cash payment of about £137,000, of which approximately £87,000 is related to stocks awaiting customer call-off.

Back to dividends at Nelson David

More than doubled profits and a return to dividends is the cheerful news from Nelson David Ltd, the vehicle retailing and repair group. Pre-tax profits climbed from £60,000 to £169,000 in the 12 months to March 31, easily beating the previous record which was set in 1968. Turnover was up from £7.51m to £8.26m. Shareholders

are to receive a payment of 0.71p gross—the first dividend since 1972.

The board reports that the asset value of the group is now just over 14p a share, "much greater than had previously been apparent". Extraordinary items of £25,000 in the 1978-79 accounts are a compensation for loss of office to former directors and company secretary of the company and subsidiaries.

Costs warning from Highland Distilleries

In his chairman's statement in the annual report of Highland Distilleries, Mr J. A. R. Macphail, says: "This is an area that tends to be heavily qualified with reservations of one kind or another. The cost of materials, fuel, wages, advertising, etc. is escalating at an uncomfortable rate. However, provided that the industry is realistic about its pricing policies (and in my view it has no alternative if it wishes to prosper) then I would be cautiously optimistic as to the future of the industry."

For ourselves, new fillings seems to be coming away again and The Famous Grouse brand shows every sign of continuing its successful progress. Developing export markets is an expensive business, both in time and money, and one cannot expect real volume from this source for some time to come, and yet it is an area that cannot be neglected as it accounts for some 85 per cent of the industry sales.

Transport strike hits Porter Chadburn

Margins were under pressure in the half-year to July 5 as Porter Chadburn, the Bootle-based makers of brewery and marine equipment.

Although turnover rose from £7.05m to £7.35m, pre-tax profits fell from £433,600 to £318,100. The effect of the transport strike and the weather at the start of the year was "little short of disastrous" and the first-quarter profit was minimal, the board reports. It had expected that the second-quarter good performance would be maintained, but industrial action in the engineering industry—which has resulted in a loss of profit to date of about £250,000—has rendered this impossible.

CYCLICAL INDICATORS FOR THE UK ECONOMY

The following table is based on the CSO corporate indices of the business cycle in the United Kingdom published yesterday.

	Longer leading (4 indicators)	Shorter leading (6 indicators)	(6 indicators)	(5 indicators)
1978				
November	104.8	106.2	105.0	95.0
December	101.2	103.3	102.1	93.3
1979				
January	98.4	102.5	100.6	95.2
February	96.5	102.6	99.8	94.9
March	100.2	107.0	103.2	94.8
April	104.2	110.6	106.0	95.5
May	106.3	113.0	108.3	95.0
June	104.8	111.8	108.1	96.4
July	103.2	109.8	105.6	96.3
August	102.6	105.3	103.2	96.3
September	102.2	103.4	95.2	95.4
October	102.1			95.4

FINANCIAL NEWS

Low-down
Brown
Shipley

Richard Allen
At Brown Shipley, the first half of the year was a down as the group wrestled with erratic movements in exchange rates and interest rates. The merchant banking and finance broking group ended yesterday that profits were "slightly less" than earned in the same half of last year. The group did not disclose figures at the way stage.

Despite the fact that the "cannot forecast an increase in profits for the year as a whole," it has announced a dividend of 10p, a 5p increase on the 5p paid in the last full-year dividend. The interim payment is 22 pence to make good, in the last full-year dividend, back from £1.65m to £1.65m.

The board said yesterday that in the first half the bank group has found increasing demand for its credit facilities in the United Kingdom has not reflected the high reported for the banking group as a whole. It anticipates, however, that the abolition of exchange controls will rise to useful business in the future.

Of the insurance premium earned in the United Kingdom on both home and overseas business, there was an increase in the first half but was offset by a decline in earnings by subsidiary companies abroad.

Accountants
may forge
S link

Jonathan Baker, one of the two United Kingdom accountants, is holding meetings with the United States and Alexander Grant. These are likely to result in a new agreement on the terms of a new international firm, Alexander Grant was until recently connected with the United Kingdom firm Tansley, which has recently linked with Arthur Anderson.

Jonathan Baker has in the past been closely connected with another United States firm, but the connection has died and the firm now is to establish closer links with a United States partner. Jonathan Baker has 25% in the United States firm, and annual fees now amount to £2.5m.

Alexander Grant has 350 partners in a number of offices in the United States and is a member of the Institute of Chartered Accountants in England and Wales. He is also a member of the Institute of Chartered Accountants in Scotland.

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LO AMERICAN ASPHALT
The American Asphalt is an agreed offer for Agl's shares. The offer is made by D. A. J. Doyle, Agl's director, who holds 9.9% of the shares. The offer is for 50% of the shares, at 50p per share, and is subject to the approval of the shareholders.

ARM INVESTMENT TRUST
The Arm Investment Trust is a new investment trust, which is to be formed by the merger of the Arm Investment Trust and the Arm Investment Trust. The new trust is to be formed by the merger of the Arm Investment Trust and the Arm Investment Trust.

VERY MERGER
A large Australian beverage merger, to create the country's biggest beverage company, is under way. The merger is between the two largest beverage companies in Australia, the Carlton and the Brierley.

Keyser doubles

By Adrienne Gleeson
For the first time in several years, results from Keyser Ullman are relatively straightforward. Pre-tax profits for the six months to end-September at £1.75m, are way ahead of the £864,000 recorded in the corresponding period last year and marginally up on the second half total on a comparable basis (after stripping out the firm brought in on the release of provisions, and the £459,000 dividend received from Cannon Asstrax, which has subsequently been sold).

The 66m-odd of debt property which Keyser Ullman was hoping to get rid of before the end of this financial year is still around the company's balance sheet, producing no income, but a 5p dividend remains of the infusions

acquisition of the early 1970s are paying their way, and there is no great haste to unload them. As it is, the £4m-odd disposal of the first half are likely to result in another recovery of earlier provisions, which will be brought into profit at the end of the year.

However, further substantial improvements in profits are not likely until the climate is right for sizable increases in bank lending. First half advances rose from £134m to £145m; but the company still has room under the "ceiling" restrictions to lend out a further £5-7m; and to judge by the outlook for interest rates, it will be a while before it finds high-quality takers. The interim dividend has been maintained at a maintained final dividend of 5p would yield almost 3.5 per cent.

Kleinwort Benson
lagging behind

By Our Banking Correspondent
Hill Samuel continues to lag behind the other big merchant banks in profitability. After the first half recently reported by Kleinwort Benson, for example, Hill Samuel announces profits "approximately the same as those of the corresponding period last year".

The outwardly conflicting trends within the bank where corporate finance and banking have improved. But the main drag continues to be the London-Lombard insurance broking subsidiary, where the first half has borne the added cost of moving the administrative and accounting functions

down to Swindon. Rationalization has been going on in the other troubled-but-Lambert Brothers Shipping, although even with the move in shipping markets of late it is still too soon to talk of an imminent recovery.

Hill Samuel has also been hit by the loss of income from the sale of its Wood Street premises from the life company to the group. Having bought the property for £12m the year the group receives does not match what the group could be earning by putting the money on short term deposit. The interim dividend has been maintained at 2.62p a share gross.

E Midland
Press jumps
75 per cent

The best may now be over for East Midland Allied Press, the owner of a big chain of provincial papers as well as national weeklies such as *Angling Times* and *Forlornite*, including *Popular Motorist*. It is also big in contract printing.

However, there was nothing wrong with the way pre-tax profits rose from £944,000 to £1,651,000, or by nearly 75 per cent while turnover went ahead by 28 per cent to £16.24m in the 26 weeks to October 13 last. Earnings a share, duly rose from 3p to 5p but the interim dividend is disappointed some by moving modestly from 1.24p gross a share to 1.43p.

Options

As the remainder of the equity market continues to wait for the next move dealers in the traditional options market reported one of their busiest days so far this year as investors arranged to make calls or puts in many of the market leaders. Both the EP shares continue to achieve a healthy turnover as did Shell's very quiet. The total amount of contracts completed amounted to 293 compared with 557 the previous day.

John Folkes Hefo presses on

By Alan Mitchell
Midland property and engineering group John Folkes Hefo is riding this year's industrial unrest without too much trouble.

Although the transport strike at the beginning of the year cost the group about £400,000, Hefo turned in pre-tax profits of £1.7m for the six months to June 30, 1979, against a previous £1.51m. Turnover in the period rose from £31.8m to £36m.

Mr James Hearnshaw, the

Chairman, reports that the cost of the engineering strike, which affected about a fifth of the group's factories, was contained at about £200,000.

Although all divisions improved their contributions in the first six months, the housing side did particularly well and, as yet, the group is not being affected by the present mortgage famine.

The recent £700,000 purchase of Park Webb Forgings from Dobson Park Industries will not contribute to the current year, but Mr Hearnshaw is confident that after the plant has been

moved from Wigan to the Hefo factory at Kidderminster profits should rise to about £2m. In the first six months the forgings side turned in £330,000, against £30,000 previously, and by the year-end it should contribute about £800,000.

For shareholders there is a 121 per cent rise in the interim dividend to 0.7p gross and the chairman is confident that the final payment will at least increase by a similar amount to give a total of 2.56p.

The shares at 25p give a prospective yield of 10.24 per cent and a historic p/e of 4.2.

Advance at
Flight
Refuelling

By Our Financial Staff
Flight Refuelling (Holdings), manufacturer of the aircraft, nuclear and electronic industries, lived up to its chairman's forecast made in June with a boost in profits.

Pre-tax profits jumped from £935,000 to £1.2m and turnover went ahead by 25 per cent to £7.2m in the six months to June 30, 1979. Neither result showed the same growth rate achieved by the group last year when profits increased 42 per cent and turnover rose 15 per cent to £5.7m.

Mr Michael Cobham, chairman, said that second half results should show a "marginal improvement" on those of the first. Last year the group made £1,070m profit in the second half.

The interim dividend has been boosted by 22.5 per cent to 1.64p gross, after adjusting for last April's one-for-two scrip issue in line with the profit increase. Last year's total dividend amounted to 2.25p.

The share price ended the day at 158p down 4p on the announcement.

The group supplies high technology equipment to aerospace projects such as the A300B Airbus, the Tornado, the Hawk and the Harrier as well as supplying components to the nuclear power station industry.

Associated's French plan

By our financial staff
Associated Engineering is to double the size of its French operations with a new £5m takeover.

The Warwickshire motor components group is to buy the 71 per cent holding in Société Industrielle des Concessions currently held by Pechiney Ugine Kuhlmann for £4.8m.

Associated already owns 21.3 per cent of the SIC capital and will offer to buy the balance of 77 per cent at the same price of £20.2 per share.

SIC manufactures plain bearings and bushes mainly for the automotive industries and has

been a licensee of Associated's bearing specialists, Glacier Metal since 1936. It will now be incorporated into Associated's bearing division.

In the year to December 31 1978 SIC turned in pre-tax profits of £800,000 on sales of £11.5m.

Associated's chief executive, Mr John Collier said yesterday that sales from the French operation should be approaching £30m in 1980. This will come mainly from engine components such as pistons, cylinder liners and bearings for both original equipment and replacement users.

Westward TV
tops £2m

With revenue up by over 21 per cent to a record £9.55m, trading profits at Westward Television rose by almost 19 per cent to £2.1m in the year to July 31. This includes the absorbing of the losses made by the venture into Air Westward, which was sold during the year. The total dividend is being lifted from 8.75p to 2.85p gross.

£10m Egypt plant

A £10m car battery factory, the largest of its kind in the Middle East, is to be built in Egypt by the Chloride Group. Chloride will hold 50 per cent of the firm share capital.

Unilever

Results for the third quarter of 1979, and interim dividends

COMBINED RESULTS (£ millions)							
Third Quarter		Increase/Decrease		Nine Months		Increase/Decrease	
1979	1978			1979	1978		
2,731	2,490	10%		8,064	7,257	11%	
1,020	1,011			3,078	2,984		
1,711	1,469			4,986	4,293		
173.7	163.0	7%		494.6	449.9	10%	
9.3	(0.1)			10.4	(1.6)		
10.2	18.4			34.7	50.8		
1.1	0.5			1.6	1.1		
(13.0)	(11.9)			(38.2)	(35.2)		
(16.8)	(13.6)			(61.0)	(38.6)		
3.8	1.7			12.8	1.4		
181.3	170.0	7%		503.1	465.0	8%	
(81.1)	(73.1)			(228.8)	(209.1)		
(5.2)	(9.1)			(17.2)	(24.3)		
1.0	(0.2)			0.1	(1.6)		
0.1	(0.6)			1.7	(2.8)		
(8.8)	(6.6)			(20.8)	(17.4)		
(7.7)	(5.5)			(17.8)	(14.4)		
(1.1)	(1.1)			(3.0)	(3.0)		
87.3	80.4	9%		238.3	209.8	14%	
(3.2)				(8.8)			
84.1	80.4	5%		229.5	209.8	9%	
49.4	42.1			117.8	108.9		
34.7	38.3			111.7	99.9		
22.64p	21.64p	6%		61.78p	56.48p	9%	

Exchange Rates
As has been our practice the results for the third quarter and the first nine months of 1979 have been calculated at comparable rates of exchange. These are based on £1 = FL 2.89 = U.S. \$2.08, which were the closing rates of 1978. Total Calsonic for the current quarter and the first nine months has also been recalculated at the rates of exchange current at the end of September 1979 being based on £1 = FL 4.25 = U.S. \$2.20.

U.K. Stock Relief
Under the U.K. Finance (No. 2) Act 1972, enacted during the third quarter, stock relief obtained in respect of the years 1973 and 1974 (£38 m.) is no longer subject to clawback and the relief received in subsequent years will also become permanent if it is still outstanding at the end of a rolling six-year period. At the year end we shall be taking a view of the likelihood that relief received in respect of the years 1975 to 1978 (£77 m.) and, separately, 1979, will be subject to future clawback. Our present expectation is that such clawback is unlikely and that we shall be releasing the bulk of the £115 m. deferred taxation previously provided for stock relief in 1975 to 1978 as an extraordinary item in the fourth quarter results. Stock relief received in respect of 1979, if any, will be dealt with in the fourth quarter tax charge. This treatment of U.K. stock relief accords both with Dutch requirements and U.K. accounting standards.

RESULTS

In the third quarter of 1979 total sales value was 10% higher than in the corresponding quarter of 1978, of which 1% arose from increased volumes.

In Europe most product groups showed an improvement in results over last year. However, it was largely offset by lower volume and margins in the edible fats business, due to difficult market conditions. This, together with reduced export sales and earnings, caused total results in Europe to be below those of 1978.

In North America operating profit showed a good increase over the corresponding quarter of 1978, mainly because National Starch — included for only part of the 1978 third quarter — is now included for the full quarter. Results in other businesses were slightly above last year's level.

UAC International's results are lower, due to difficult trading conditions in Africa. This is reflected in the fall in Concern share of associated companies' profit before taxation. In other overseas companies in total, results were significantly better than in 1978.

The figure of non-recurring items this quarter arises mainly from the merger of MacMarkets' activities with those of B.A.T. Industries.

DIVIDENDS

The Boards today declared interim dividends in respect of 1979 on the Ordinary capitals at the following rates which are equivalent in value at

today's rate of exchange in terms of the Equalisation Agreement between the two companies:

LIMITED

per 25p Ordinary share — 8.94p (1978: 8.67p)

N.V.

per FL 20 Ordinary capital — FL 3.56 (1978: FL 3.40)

LIMITED's interim dividend, will be paid on 24th December, 1979 to shareholders registered on 7th December, 1979.

In the case of N.V. the interim dividend will be paid on 20th December, 1979.

For the purpose of equalising LIMITED's and N.V.'s dividends under the Agreement, the Advance Corporation Tax ("A.C.T.") in respect of any dividend paid by LIMITED has to be treated as part of the dividend. LIMITED's 1979 interim dividend now announced has been calculated by reference to the current rate of A.C.T. (3/7ths): if the effective rate applicable to payment of the dividend is different the amount will be adjusted accordingly and a further announcement made. The figure of 8.97p shown above for the 1978 interim dividend is arrived at by re-calculating at the current A.C.T. rate of 3/7ths the deferred part of the dividend to payment of which that rate applied.

14th November, 1979

Electra Investment Trust
LIMITED

Interim Report (unaudited) for the six months ended 30th September, 1979

Earnings		Six months ended 30th September	
		1979	1978
Gross Group Revenue		£3,001,000	£2,630,000
Group earnings before taxation		£2,571,000	£2,304,000
Taxation		860,000	873,000
Group earnings after taxation		£1,711,000	£1,431,000

Interim Dividend

An interim dividend in respect of the year ending 31st March, 1980 of 2.5p per Ordinary Stock Unit (1978/79: 2.0p) and a special interim dividend, in respect of special dividends received by the Company, of 0.5p per Ordinary Stock Unit will both be paid on 31st January, 1980 to those persons registered as holders of the Stock at the close of business on 3rd January, 1980. Such dividends will absorb £1,487,144 (1978/79: £978,096). The Directors at present consider that the final dividend of 3.8p per Ordinary Stock Unit will be at least maintained.

Assets		30th September 1979		31st March 1979	
Investments at market value or valuation		£79,890,000		£85,694,000	
Net assets		£79,269,000		£80,140,000	
Net asset value per stock unit of 25p		162p		163p	



AN ELECTRA HOUSE COMPANY

Business Appointments

New director
for Weeks
Petroleum

Mr M. W. Burrell has been made a non-executive director of Weeks Petroleum. Mr B. Rieher has resigned as a non-executive director because of pressure of other business.

Mr A. R. L. Oakley has become a director of the United Kingdom division of Bain Davies. Mr G. T. Roberts has been made a director of the North American division.

Mr M. J. Hadley is now a director of Harbours and Cross.

Mr C. G. MacKie has been elected chairman of Booth (International Holdings) in succession to Mr C. W. Wilks who is retiring.

Mr Malcolm Gamble has become a director of the newly formed oil company of Transocean McIntosh.

Mr Derek Siver has joined the Wigham Polard Group as a director of Wigham Polard Professional Indemnity. Mr Kevin A. Giffing has been made a director of Wigham Polard Reinsurance.

Mr Angus Andrews is now a director of Tees Docks.

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\$ Forward bargains are permitted on two previous days

§ Forward bargains are permitted on two previous days

chylomicron:

